

GEMINI Collective Foundation

INVESTMENT REGULATIONS 2025

VALID FROM 1 JANUARY 2025



CONTENTS

INVESTMENT REGULATIONS	3
1 Definition of terms used	3
2 Purpose of the Investment Regulations	3
3 Objectives of the investment strategy	3
4 Instruments	4
5 Investment guidelines	4
6 Organisation and competencies	4
7 Valuation of investments	5
8 Exercising of voting rights	5
9 Value fluctuation reserve	6
10 Integrity and loyalty of the management	6
11 Retrocessions	7
12 Sustainability, ESG issues	7
13 Entry into force	8
APPENDIX 1 – INVESTMENT CONCEPT	9
1 Total assets	9
2 Money market investments	9
3 Mortgages and loans	9
4 CHF Bonds	9
5 Foreign currency bonds	9
6 Swiss equities	10
7 Foreign equities	10
8 Special provisions	10
9 Derivative instruments	11
10 Securities lending	11
11 Properties in Switzerland and abroad	11
12 Infrastructure investments	11
13 Cluster risk	11
APPENDIX 2 – FUNCTIONAL CHART	12
APPENDIX 3 – INVESTMENT STRATEGIES	13
APPENDIX 4 – CALCULATION OF THE TARGET VALUE FLUCTUATION RESERVE	19
APPENDIX 5 – REBALANCING CONCEPT	20

The original German text is legally binding.

1 DEFINITION OF TERMS USED

1.1 Investment strategy, strategic asset allocation (SAA): The investment strategy determines the risk/return profile of the entire investments by defining a neutral weighting and corresponding index for all investment categories. The degrees of freedom for implementation are also determined using fluctuation margins for each investment category. The applicable investment strategies are described in Appendix 3, or Appendix 6 if an employee benefits unit is pursuing an individual investment strategy.

1.2 Investment concept: The investment concept regulates fundamental questions concerning implementation of the investment strategy and comprises aspects such as the investment philosophy as well as restrictions at the individual category level. The applicable investment concept is described in Appendix 1.

1.3 Investment policy: The investment policy refers to the portfolio's current strategic focus, known as the tactical asset allocation (TAA), as set and implemented within given ranges based on financial market analysis.

2 PURPOSE OF THE INVESTMENT REGULATIONS

2.1 The Investment Regulations set out the objectives, means and procedures of management of the assets of the GEMINI Collective Foundation, representing binding guidelines in accordance with article 49a BVV 2 (Ordinance on the Occupational Old-Age, Survivors' and Disability Pension Plans). They define the investment concept and create the necessary institutional framework conditions to enable the Foundation Board to carry out its task of financial management completely and transparently.

They serve as a guide for the Foundation Board, the investment committee and the Foundation's administrative office and form the basis for drawing up the investment strategy.

2.2 The investment strategy defines the long-term asset allocation and the maximum permitted deviations for each investment category. This is determined by the Foundation Board.

2.3 The affiliated employee benefits units have the option of pursuing their own investment strategy that is independent from the GEMINI pooled assets. If an affiliated employee benefits unit decides to do this, its pension fund committee may submit its preferences and wishes regarding the investment strategy to the Foundation Board. The Foundation Board of GEMINI Collective Foundation defines, under the given conditions, the requirements in terms of fluctuation reserves which the affiliation must fulfil in order to be permitted to define its own autonomous investment strategy. Should an employee benefits unit opt in favour of its own investment strategy, it is obliged to comply with the Investment Regulations and the investment concept (Appendix 1) drawn up by the GEMINI Collective Foundation.

2.4 The Foundation Board may approve deviations from the Investment Regulations in individual cases.

3 OBJECTIVES OF THE INVESTMENT STRATEGY

3.1 The investment strategy aims to ensure that the performance objectives of the individual affiliations of the GEMINI Collective Foundation can be financed at the best possible ratio of benefits to contributions.

3.2 Fulfilment of the pension purposes takes absolute priority within the scope of the investment policy. The investment policy objectives of liquidity, security and earnings are to be derived consistently from the actuarial circumstances and requirements of the individual employee benefits units in terms of content.

3.3 Taking into account the current financial situation and recognisable development prospects, the investment strategy must be shaped in such a way as to meet the requirements of efficient financial management at all times. The earnings opportunities on the financial markets must be optimally exploited, the impact of unforeseeable drops in earnings as far as possible restricted and critical developments in asset management identified at an early stage.

4 INSTRUMENTS

4.1 To realise the investment policy objectives the GEMINI Collective Foundation makes use of the following instruments:

- planning instruments to determine the investment strategy and draw up a feasible decision-making basis
- monitoring and reporting concept to ensure the provision of appropriate information at each level for the individual committees so that they can carry out the control functions assigned to them (Appendix 2)
- investment controlling and supply of appropriate management information for monitoring mandate conformity, controlling costs and guaranteeing compliance with the requirements for efficient management of the financing process
- cost-optimised pooling of the individual investment strategies GEMINI Pool 0, GEMINI Pool 20, GEMINI Pool 35, GEMINI Pool 50, GEMINI Pool Pensions 1, GEMINI Pool Pensions 2 and GEMINI Pool Money Market Fund employer contributions reserves while fully upholding the strategic autonomy of these seven investment pools

5 INVESTMENT GUIDELINES

5.1 All statutory Investment Regulations and provisions must be complied with at all times, in particular those of the BVG and the BVV 2 as well as the professional recommendations and directives of the Federal Social Insurance Office (FSIO) and the Occupational Pension Supervisory Commission (OPSC).

5.2 The GEMINI Collective Foundation issues these investment guidelines tailored to its specific needs within the scope of the legal provisions. These investment guidelines are specifically set out in the form of an investment strategy to be aspired in the long term (Appendix 3 and Appendix 6). Guidelines for implementation are set out in the investment concept (Appendix 1).

5.3 The long-term risk and return properties of the various investment categories must be taken into account when determining the investment strategy.

5.4 In order to make use of short-term market opportunities, tactical fluctuation margins are defined within which deviations from the investment strategy are permitted. Upon the request of the investment committee, the Foundation Board may approve temporary adjustments of the margins.

5.5 The investment strategy with its tactical fluctuation margins and the investment policy must be reviewed periodically or in the event of extraordinary events and adjusted where necessary.

6 ORGANISATION AND COMPETENCIES

6.1 The asset management organisational structure for the GEMINI Collective Foundation comprises the following functional units:

- Foundation Board
- Investment Committee
- Pension fund committee
- Managing director/administrative office
- Global custodian
- Fund management
- Asset manager
- Investment controller
- Investment consultant

6.2 The duties, responsibilities and powers of these functional units are set out in the functional chart (Appendix 2).

6.3 As the highest governing body, the Foundation Board is responsible for determining the objectives and principles of asset management and enforcing and overseeing the investment process and transparency regulations.

6.4 The Investment Committee is responsible for implementing the investment strategies set by the Foundation Board. It is on hand to answer any technical investment questions that the Foundation Board, the managing director or the administrative office may have.

6.5 The managing director and/or the administrative office ensure that the statutory and regulatory provisions and asset management agreements are complied with.

6.6 The global custodian is responsible for processing the basic services of a central depository. The central depository has the following key duties:

- Holding securities
- Processing all securities, foreign currency and derivative transactions
- Safeguarding payment transactions
- Reclaiming withholding taxes
- Securities lending

The global custodian, a third party commissioned by it or a third party may also provide the following services:

- Securities accounting
- Issuing of cost transparency report
- Periodic reporting on investments

6.7 The fund management has the following key duties:

- Calculating the net asset value (NAV)
- Subscription and redemption of units of the single investor fund
- Assertion of all rights associated with the investment fund
- Reviewing the investment guidelines of mandated managers
- Fund reporting
- Managing unit accounts

6.8 The asset managers are responsible for managing the assets based on the guidelines set out in the respective asset management agreements. Only asset managers that meet the requirements of Article 51b BVG and 48f BVV 2 are authorised to manage pension fund assets.

6.9 The investment controller provides an outside perspective in as objective a manner as possible and is available to the Foundation Board, the Investment Committee, the managing director and the administrative office as a point of contact for questions relating to monitoring and oversight. The investment controller has the following duties:

- Supporting the Foundation Board and the Investment Committee in monitoring the implementation of the investment strategy and the investment process
- Immediately notifying the Investment Committee and the managing director and/or the administrative office of any deviations from the Investment Regulations, the investment strategy or the mandate and/or management guidelines under the asset management agreements as soon as any come to light
- Responsible for ensuring timely investment activity controlling
- Assisting the managing director and the administrative office in their monitoring of the asset managers

6.10 External investment consultants may be enlisted to support the investment activity of the collective foundation. Investment consultants will be enlisted by the managing director and/or the administrative office or the Investment Committee or the Foundation Board where necessary. The terms of any collaboration with investment consultants will be set out in a corresponding agreement. Investment consultants have the following duties, among others:

- Conducting calls for tender for asset management mandates
- Preparing market analyses
- Monitoring asset managers
- Fee monitoring
- Issuing recommendations on how to exercise voting rights

7 VALUATION OF INVESTMENTS

7.1 The valuation of the investments for controlling and monitoring purposes is carried out according to market values. If no market value is available then valuations customary in the industry are drawn upon. This applies in particular to:

- direct real estate: valuation according to the discounted cash-flow method
- direct mortgages: valuation at nominal value
- unit certificates of funds and investment foundations not traded on the stock exchange: valuation at net asset value (NAV)

7.2 Valuation of the investments for accounting and regulatory reporting purposes are carried out in accordance with the applicable provisions for this.

8 EXERCISING OF VOTING RIGHTS

GEMINI Collective Foundation exercises its voting rights for shares and share-equivalent securities (hereinafter referred to as “equity voting rights”), as well as its shareholder rights likewise derived through direct investment, control or other legitimation with the aim of guaranteeing the sustainable performance of such securities for the investments in the GEMINI fund. Responsibility for exercising the shareholder rights of the employee benefits institution lies with the Foundation Board. The Foundation Board delegates responsibility for the exercise of shareholder rights to an external, independent proxy advisor within the scope of a non-discretionary consulting mandate while at all times retaining a veto right and ultimate responsibility for the employee benefits institution’s voting and shareholder decisions.

Where shares in companies whose shares are listed on a stock exchange are concerned, the Foundation Board exercises the voting rights tied to the units held by it in accordance with Articles 620–762 of the CO. It will vote on at least the following points:

- Election of members of the Board of Directors, the Chair of the Board of Directors, members of the Compensation Committee and the independent voting rights representative
- Provisions of the Articles of Association under Article 626 (2) of the CO
- Provisions of the Articles of Association and votes in accordance with the provisions of Articles 732–735d of the CO

Securities lending is also permitted in connection with the statutory duty to vote as long as the exercising of this duty is not hindered.

Indirect Swiss public shares or those held via collective forms of investment (such as Swiss equities held via investment foundations) are subject to the duty to vote if GEMINI Collective Foundation is granted individual equity voting rights or the Foundation controls the investment vehicle (e.g. single investor fund).

8.1 Safeguarding of interests of insured persons when exercising statutory duty to vote

When exercising the statutory duty to vote, the interests of the insured persons are upheld by aligning voting behaviour optimally with a sustainable guarantee of the performance of the employee benefits institution.

8.2 Transparency regulation and duty to disclose voting behaviour for equity investments

Disclosure to the insured persons concerning the exercising of the statutory duty to vote takes place at least once a year.

8.3 Employee benefits units with individual investment strategies

Employee benefits units that become affiliated with the GEMINI Collective Foundation and opt for an investment strategy outside of the GEMINI Pools must also adhere to the provisions of Sections 8, 8.1 and 8.2 of the Investment Regulations. Pension funds with individual investment strategies may submit suggestions regarding the representation and safeguarding of the members' interests, the transparency regulations and the disclosure of their voting behaviour to the Foundation Board.

9 VALUE FLUCTUATION RESERVE

9.1 A value fluctuation reserve is formed for the market-specific risks underlying the asset investments in order to support the sustainable fulfilment of the benefit commitments. The necessary value fluctuation reserve is determined on the basis of financial and economic considerations and current circumstances (e.g. capital market development, investment allocation, investment strategy, structure and performance of the pension capital and actuarial reserves, aspired return target and security level). The principle of consistency applies.

9.2 The affiliated employee benefits units are autonomous in their choice of investment strategy, formation of value fluctuation reserves and monitoring of risk tolerance level. The collective foundation does, however, calculate the reserve requirements for the affiliated employee benefits units for the various individual investment strategies GEMINI Pool 0, GEMINI Pool 20, GEMINI Pool 35, GEMINI Pool 50, GEMINI Pool Pensions 1, GEMINI Pool Pensions 2, GEMINI Pool Money Market Fund employer contributions reserves and the individual investment strategies based on assumptions regarding the pension situation of an affiliation. The definition of the calculation and the resulting reserve requirements for the individual investment strategies are described in Appendix 4 and Appendix 6 (individual investment strategies).

10 INTEGRITY AND LOYALTY OF THE MANAGEMENT

10.1 As an ASIP member, the GEMINI Collective Foundation is governed by the ASIP charter. The charter is binding on all persons and institutions acting on behalf of the Collective Foundation, who must confirm their willingness to comply with the ASIP charter by their annual signature. Furthermore, the provisions of the Code of Conduct apply.

10.2 Persons and institutions commissioned with the business management, administration and asset management of an employee benefits institution must keep a clear record of the type and amount of remuneration in a written agreement. They are obliged to surrender to the employee benefits institution all pecuniary gains that they additionally receive in connection with the exercise of their activities for the employee benefits institution.

If external persons and institutions are commissioned with the brokerage of pensions business then they must provide information about the nature and origin of all remuneration for their brokerage activities upon initial customer contact. The type of remuneration must always be documented in a written agreement to be disclosed to the employee benefits institution and employer. The payment and receipt of additional volume-, growth- or damage-dependent remuneration is prohibited.

Persons and institutions familiar with asset management must act in the interests of the employee benefits institution. In particular, they may not:

- make use of their knowledge about orders of the employee benefits institution to conduct business on their own account beforehand, simultaneously or immediately afterwards (front/parallel/after running)
- trade in a security or investment as long as the employee benefits institution is trading with this security or investment and the employee benefits institution could sustain damages from this; participating in such business in another form is deemed equivalent to trading
- restructure custodian accounts of the employee benefits institution in the absence of an economic reason for doing so

10.3 External persons commissioned with business or asset management or beneficial owners of companies commissioned with these tasks may not be represented on the highest governing body of the employee benefits institution.

10.4 Persons and institutions commissioned with business or asset management must disclose their interests to the highest governing body annually. These particularly also include beneficial ownership of companies that maintain a business relationship with the employee benefits institution. The disclosure in regard to the highest governing body is made to the auditor.

Persons and institutions commissioned with the business management, administration or asset management of an employee benefits institution must submit an annual written declaration to the highest governing body confirming that they have surrendered all pecuniary gains in accordance with article 48k BVV 2. Minor and occasional gifts are exempted from this as long as their value does not exceed CHF 200 in individual cases and CHF 500 per year.

11 RETROCESSIONS

11.1 All persons involved in the asset management of GEMINI Collective Foundation must supply annual confirmation that they have not received any retrocessions, sales commissions, management fees or the like for their activities for GEMINI Collective Foundation. Commissioned asset managers and investment companies must also confirm annually that they have not paid any retrocessions, sales commissions, management fees or the like to any recipients other than GEMINI Collective Foundation itself on investments from the assets of GEMINI Collective Foundation.

11.2 Representatives of GEMINI Collective Foundation may accept retrocessions and the like with the express written consent of the Foundation Board and offset these with the fees agreed with GEMINI Collective Foundation. Asset managers and investment companies are only entitled to pay out these retrocessions and the like subject to the written approval of GEMINI Collective Foundation. A detailed statement of the amounts paid out and received must be submitted by the representatives each year.

12 SUSTAINABILITY, ESG ISSUES

12.1 Environmental (E), social (S) and governance (G) aspects must be taken into account in investment behaviour and product selection.

With regard to sustainability activities, GEMINI Collective Foundation follows generally accepted standards. These comprise, in particular, the Swiss laws and international conventions acknowledged by Switzerland.

Sustainability activities are implemented following in-depth examination of their impact on traditional pension objectives, such as return, risk, diversification and the investment universe.

When selecting asset managers, sustainability should be included as a criterion, although the achievement of the pension objectives should not be compromised by this.

The competent committees of GEMINI Collective Foundation address the topic of sustainability regularly and at appropriate intervals at their meetings.

13 ENTRY INTO FORCE

13.1 These Investment Regulations replace those of 1 January 2024 and come into force retroactively on 1 January 2025.

Zurich, 28 April 2024

GEMINI Collective Foundation

A handwritten signature in black ink, reading "Vital G. Stutz". The script is cursive and fluid.

Vital G. Stutz
Chair of the Foundation Board

A handwritten signature in black ink, reading "A. Auf der Maur". The script is cursive and fluid.

Anita Auf der Maur
Deputy Chair of the Foundation Board

1 TOTAL ASSETS

1.1 Within the investment categories and fluctuation margins stipulated by the investment strategy, implementation is carried out according to the principle of risk diversification by investing the assets across a broad range of subcategories and individual securities.

1.2 In order to deploy administrative costs as efficiently as possible, implementation essentially takes place according to the core satellite approach, under which active management is only pursued when, due to market inefficiencies, there is a realistic possibility of outperforming the entire market.

1.3 A consistent assignment of tasks and competencies regarding active and passive management of all segments and sizes under management ensures clear performance responsibility.

1.4 Real estate investments are managed by the investment committee. For the other investment categories, the investment committee commissions external managers (fund or mandate implementation) to implement the investment concept.

2 MONEY MARKET INVESTMENTS

2.1 Money market investments in CHF with a term of up to 12 months may be made. Money market investments in foreign currencies are also permitted in exceptional cases.

2.2 The investments are selected with the aim of generating earnings in line with the market. To this end a high level of debt or quality (minimum A rating or equivalent) and the maintenance of a suitable degree of liquidity are taken into account.

2.3 The share of short-term investments may not exceed 5% of total assets for each group of banks.

3 MORTGAGES AND LOANS

3.1 As well as collective investments in mortgage funds and investment foundations, loans secured against real estate may be granted at market terms and conditions to public bodies, public-private entities and private companies with first-class credit ratings. The granting of loans is subject to the prior approval of the Foundation Board.

4 CHF BONDS

4.1 Bonds, medium-term notes, spot certificates, notes, debenture bonds, warrant-linked and convertible bonds denominated in CHF can be purchased.

Permissible debtors include the public sector and supranational institutions (e.g. the World Bank) as well as banks, financial and industrial companies with a minimum rating of BBB-.

4.2 Calculated at market value, no more than 5% of the investment category may be invested in securities of the same debtor at any time. Swiss federal and cantonal bonds and mortgage bonds are exempted from this.

For liquidity reasons, no more than 5% of the portfolio of bonds in CHF may be invested in medium-term notes and spot certificates.

4.3 Investments must be in securities that are listed on a stock exchange or regularly traded over the counter.

4.4 Receivables that do not have a fixed nominal value or are not listed under article 53, para. 1, lit. b BVV 2 are allocated to alternative investments.

5 FOREIGN CURRENCY BONDS

5.1 Fixed and variable interest bonds domiciled in foreign currencies may be purchased, including warrant-linked bonds, convertible bonds, high-yield bonds and emerging markets debt.

Permissible debtors include the public sector and supranational institutions (e.g. the World Bank) as well as banks and financial and industrial companies with a minimum rating of BBB-. For warrant-linked bonds, convertible bonds, high-yield bonds and emerging markets debt, the Foundation Board may deviate from the minimum BBB- rating.

5.2 Calculated at market value, no more than 5% of the foreign currency bond investment category may be invested in securities of the same debtor at any time; the exercise of subscription rights remains reserved. Public bodies with top credit ratings (AAA) are exempted.

5.3 Investments must be in securities that are listed on a stock exchange or regularly traded over the counter.

5.4 Receivables that do not have a fixed nominal value or are not listed under article 53, para. 1, lit. b BVV 2 are allocated to alternative investments.

6 SWISS EQUITIES

6.1 Equities, equity-like securities (cooperative shares, participation certificates, etc.) as well as warrants for the purchase of such securities may be acquired.

6.2 No more than 5% of the equity capital of a company may be acquired. This percentage must be upheld at all times; in the case of share redemptions etc. compliance must be guaranteed within a reasonable period.

6.3 Investments must be in securities that are listed on a stock exchange or regularly traded over the counter.

7 FOREIGN EQUITIES

7.1 Equities, equity-like securities (cooperative shares, participation certificates, etc.) and warrants for the purchase of such securities may be acquired.

The provisions as per paragraph 8.1 apply to investments in emerging markets.

7.2 No more than 5% of the equity capital of a company may be acquired. This percentage must be upheld at all times; in the case of share redemptions etc. compliance must be guaranteed within a reasonable period.

7.3 Investments must be in securities that are listed on a stock exchange or regularly traded over the counter.

7.4 Currency hedging is permitted.

8 SPECIAL PROVISIONS

8.1 Equities emerging markets

8.1.1 In order to comply with the principle of risk diversification, only units of investment funds or equities of “fund-like” companies may be acquired that invest in these markets. No direct investment mandates may be assigned.

8.1.2 The investments must be listed on a stock market or regularly traded over the counter.

8.2 Currency management

8.2.1 In order to reduce currency risks, an “overlay strategy” can be applied to the entire exposure to foreign currencies.

8.2.2 Only well-rated banks/brokers with a rating of at least A may be considered as counter parties.

8.2.3 Currency allocation essentially takes place in the four main currency blocks CHF, EUR, USD and JPY.

8.2.4 The investments must comprise currencies or products that are regularly traded or for which the counterparty regularly quotes a market price.

8.2.5 The entire currency exposure may not exceed 30% of all assets.

8.3 Alternative investments

8.3.1 Alternative investments comprise investments in private equity, hedge funds and commodities for which an above-average return can be expected on the basis of the risk/return profile, whereby the overall portfolio risk should not be increased significantly, while in particular the downside risk due to interest rate and equity market fluctuations can be reduced.

8.3.2 In order to comply with the principle of risk diversification, only collective investments such as specialised funds, multi-manager funds, holding companies, limited partnerships and the like that invest in these forms of investment may be acquired. Direct investments and investments with additional funding obligations are ruled out.

8.3.3 The investments made must be controlled by means of monitoring to be carried out at least once a quarter by an external specialised company.

8.3.4 More complex receivables that do not have a fixed nominal value or are not listed under article 53, para. 1, lit. b BVV 2 must be allocated to alternative investments. These particularly include securitised receivables (e.g. asset-backed securities, collateralised debt obligations) as well as receivables that have arisen due to a risk transfer and senior secured loans.

9 DERIVATIVE INSTRUMENTS

9.1 The use of derivative instruments is essentially allowed if they are derived from the underlying investments permitted by BVV 2. The focus is on the expansion, reduction or hedging of existing positions. Derivative instruments may also be used to create new positions.

9.2 Derivative instruments may only be deployed by the custodian within the scope of the external asset management mandates or by resolution of the investment committee.

9.3 When trading in derivatives that fall under the FinMIA (Financial Market Infrastructure Act), the obligations of a small financial counterparty (within the meaning of Art. 99 et seq. FinMIA) are to be met and agreed contractually with the asset managers:

- Reporting obligation as per reporting cascade and framework agreement with counterparty (Art. 104(1) FinMIA). The need for an explicit contractual stipulation is omitted if derivatives are traded solely with major financial counterparties based in Switzerland.
- Risk reduction obligation (Art. 108 and 110 FinMIA). This does not apply to forward exchange transactions.

The use of derivatives within collective investments is not affected by the FinMIA. Transactions with a counterparty based overseas (Art. 104(2c) FinMIA) are not allowed unless these are permitted by the employee benefits institution's registration in accordance with the provisions of the FinMIA.

10 SECURITIES LENDING

10.1 Securities lending is not permitted if this prevents the voting rights from being exercised or other regulatory requirements (e.g. FINMA guidelines) are not complied with (see paragraph 8 of these regulations).

11 PROPERTIES IN SWITZERLAND AND ABROAD

11.1 Only investments using collective investments schemes are permitted.

12 INFRASTRUCTURE INVESTMENTS

12.1 Infrastructure investments comprise assets, institutions and services on which the economic productivity of society or an organisation depend. Only investments using collective investments schemes are permitted.

12.2 Currency hedging is permitted.

13 CLUSTER RISK

13.1 Investments in investment funds may not exceed 10% of the total capital of the fund in question. Exceptions must be approved by the Foundation Board. It should also be ensured that the total exposure (participations, accounts receivable, etc.) to a company does not exceed 10% of the overall assets.

FUNCTIONAL CHART

The functional chart illustrates the bodies and parties of the GEMINI Collective Foundation and their functions in the investment process.

Abbre- viation	Function holder
FB	Foundation Board
IC	Investment committee
MD	Managing director
AO	Administrative office
PFC Indi	Pension fund committee with individual strategy
IC	Investment consultant
FMGC	Investment controller (fund management/global custodian)
PFE	Pension fund expert
AM	Asset manager

Abbre- viation	Function	Description
R	Request	If not to be carried out periodically or continuously
P	Planning	Coordination, placement of order, progress control, etc.; responsibility for execution
E	Execution	According to instructions of planning authority
D	Decision	Decision on alternatives/adjustments, launch date, etc.
C	Control	Control and verification of result generated
I	Information	Named authority must be informed by planning or implementing authority

APPENDIX 2 – FUNCTIONAL CHART

Organisation	FB	PFC Indi	IC	MD/AO	IC	FMGC	AM	PFE
Own organisation								
Definition of committees and nomination of members	D			P/E				
External service providers								
Coordination between Foundation Board, Investment Committee, pension fund committee, global custodian, asset managers, investment controller, external service provider and investment consultants				P/E				
Selection of external consultants or service providers	D		I	P/E				
Selection of investment consultants	D	D	A/P	E	I	I		
Selection of investment controller, custodian bank	D	I	I	A/E	I	I	I	
Selection of fund management	D		I	P/E	I	I	I	
Selection of external asset managers, termination of asset management mandates incl. investment products	D	R	R	P/E	I	I	I	
Selection of external asset managers, termination of asset management mandates incl. investment products (employee benefits units with individual investment strategy)	D	R	I	P/E	I	I	I	
Purchase and sale of properties	D		I	R/P/E	I	I		
Regulations								
Investment Regulations	D	R	I/R	R/E	I	I	I	
Investment strategy								
Target definition								
Asset liability modelling, specification of target return	D/C	I	I	R/E	E	I		E
Definition of financing targets (target return)	D/C	I	I	R/E	(E)	I		E
Strategy								
Definition of an investment strategy in line with earnings and risk	D/C	R	R	P/E	I/C	I	I	I
Annual calculation/determination of the target value fluctuation reserves (see Appendix 3 and Appendix 6)	D	I	I	R/P	E	I	I	I
Specification of relevant benchmarks for performance assessment	D	R	R	E	I/C	I	I	
Implementation*								
Implementation of investment strategy within the scope of the superordinate specifications	I/C	I/C	I/E/C	P/C	I/C	I	E	

* The implementation is described in detail in the rebalancing concept

INVESTMENT STRATEGIES

GEMINI Pool 0

GEMINI Pool 0 is implemented externally via a mixed investment vehicle of a specialised asset manager. The CSA Mixta-BVG Basic L2 product from Credit Suisse Investment Foundation has been selected by the Foundation Board for this.

Investment categories	SAA ¹⁾ in %	Benchmark index
CHF liquidity*	5	FTSE CHF 3m Eurodeposit
CHF bonds*	38	SBI Domestic AAA-BBB TR
Mortgages*	30	SBI Domestic AAA-A 1–3y TR
Real estate Switzerland*	27	KGAST Immo-Index

GEMINI Pool 25

Investment categories	Minimum in %	SAA ¹⁾ in %	Maximum in %	Benchmark index
CHF liquidity*	0	3	15	FTSE CHF 3m Eurodeposit
CHF bonds*	16	19	21	SBI AAA-A TR
Foreign currency bonds*	17	21	25	None
thereof foreign currency government bonds hedged*	5	6	7	BBG Global AGG TRSY and Gov. Rel. Gross Ex CNY Gross hedged CHF
thereof foreign currency corporate bonds hedged*	9	11	13	BBG Global AGG Corp and Sec Gross hedged CHF
thereof Global High Yield hedged*	3	4	5	BBG Global High Yield Corporate Gross hedged CHF
Equities in Switzerland*	7	9	11	SPI Gross CHF
Equities abroad*	14	16	18	MSCI World ex Switzerland ESG Universal (nr)
Alternative investments**	0	0	2	(Portfolio returns)
Real estate Switzerland non-listed**	15	20	25	(Portfolio returns)
Foreign real estate non-listed**	2	5	7	(Portfolio returns)
Mortgages Switzerland**	0	2	4	(Portfolio returns)
Infrastructure**	0	5	7	(Portfolio returns)

* Core

** Satellite

¹⁾ Strategic asset allocation

GEMINI Pool 35

Investment categories	Minimum in %	SAA ¹⁾ in %	Maximum in %	Benchmark index
CHF liquidity*	0	3	13.5	FTSE CHF 3m Eurodeposit
CHF bonds**	13	15	17	SBI AAA-A TR
Foreign currency bonds*	12	15	18	None
thereof foreign currency government bonds hedged*	2	3	4	BBG Global AGG TRSY and Gov. Rel. Gross Ex CNY Gross hedged CHF
thereof foreign currency corporate bonds hedged*	7	8	9	BBG Global AGG Corp and Sec Gross hedged CHF
thereof Global High Yield hedged*	3	4	5	Bloomberg Barclays Global High Yield Corporate Gross hedged CHF
Equities in Switzerland*	10	12	14	SPI Gross CHF
Equities abroad*	10	11.5	13	MSCI World ex CH ESG Universal Net USD
Equities abroad hedged*	10	11.5	13	MSCI World ex CH ESG Universal Net hedged CHF
Alternative investments**	0	0	2	(Portfolio returns)
Real estate Switzerland non-listed**	15	20	25	(Portfolio returns)
Foreign real estate non-listed**	1.5	5	7	(Portfolio returns)
Mortgages Switzerland**	0	2	4	(Portfolio returns)
Infrastructure**	0	5	7	(Portfolio returns)

* Core

** Satellite

¹⁾ Strategic asset allocation

GEMINI Pool 50

Investment categories	Minimum in %	SAA ¹⁾ in %	Maximum in %	Benchmark index
CHF liquidity*	0	3	12.5	FTSE CHF 3m Eurodeposit
CHF bonds**	6	8	10	SBI AAA-A TR
Foreign currency bonds*	5	7	9	None
thereof foreign currency government bonds hedged*	2.5	3.5	4.5	BBG Global AGG TRSY and Gov. Rel. Gross Ex CNY Gross hedged CHF
thereof foreign currency corporate bonds hedged*	2.5	3.5	4.5	BBG Global High Yield Corporate Gross hedged CHF
Equities in Switzerland*	15	17	19	SPI Gross CHF
Equities abroad*	11	13	15	MSCI World ex CH ESG Universal Net USD
Equities abroad hedged*	18	20	22	MSCI World ex CH ESG Universal Net hedged CHF
Alternative investments**	0	0	2	(Portfolio returns)
Real estate Switzerland non-listed**	15	20	25	(Portfolio returns)
Foreign real estate non-listed**	1.5	5	7	(Portfolio returns)
Mortgages Switzerland**	0	2	4	(Portfolio returns)
Infrastructure**	0	5	7	(Portfolio returns)

* Core

** Satellite

¹⁾ Strategic asset allocation

GEMINI Pool Pensions 1

Investment categories	Minimum in %	SAA ¹⁾ in %	Maximum in %	Benchmark index
CHF liquidity*	0	3	15	FTSE CHF 3mo Eurodeposit
CHF bonds*	10.5	12	13.5	SBI AAA-A TR
Foreign currency bonds*	18.5	22	25.5	None
thereof foreign currency government bonds hedged*	4	5	6	BBG Global AGG TRSY and Gov. Rel. Gross Ex CNY Gross hedged CHF
thereof foreign currency corporate bonds hedged*	11.5	14	16.5	BBG Global AGG Corp and Sec Gross hedged CHF
thereof Global High Yield hedged*	0	3	3.5	BBG Global High Yield Corporate Gross hedged CHF
Equities in Switzerland*	8.5	10	11.5	SPI Gesamt TR
Equities abroad*	19	22	25	MSCI World ex Schweiz ESG Universal (nr)
Alternative investments**	0	0	2	MSCI World ex CH ESG Universal Net hedged CHF
Real estate Switzerland non-listed**	17	20	23	(Portfolio returns)
Foreign real estate non-listed**	1.5	4	6	(Portfolio returns)
Mortgages Switzerland**	0	2	4	(Portfolio returns)
Infrastructure**	0	5	6	(Portfolio returns)

* Core

** Satellite

¹⁾ Strategic asset allocation

GEMINI Pool Pensions 2

Investment categories	Minimum in %	SAA ¹⁾ in %	Maximum in %	Benchmark index
CHF liquidity*	0	6	15	FTSE CHF 3m Eurodeposit
CHF bonds*	23.5	27	30.5	SBI AAA-A TR
Foreign currency bonds*	27	35	41	None
thereof foreign currency government bonds hedged*	7.5	10	12.5	BBG Global AGG TRSY and Gov. Rel. Gross Ex CNY Gross hedged CHF
thereof foreign currency corporate bonds hedged*	17	20	23	BBG Global AGG Corp and Sec Gross hedged CHF
thereof Global High Yield hedged*	2.5	5	5.5	BBG Global High Yield Corporate Gross hedged CHF
Equities in Switzerland*	3.5	4	4.5	SPI Gross CHF
Equities abroad*	4	5	6	MSCI World ex CH ESG Universal Net USD
Real estate Switzerland non-listed**	10	16	22	(Portfolio returns)
Foreign real estate non-listed**	0	2	4	(Portfolio returns)
Mortgages Switzerland**	3	5	7	(Portfolio returns)

GEMINI Pool Money Market Fund employer contributions reserves

The employer contributions reserve pool strategy is invested entirely in Pictet CH – Short-Term Money Market CHF – J.

* Core

** Satellite

¹⁾ Strategic asset allocation

CALCULATION OF THE TARGET VALUE FLUCTUATION RESERVE

The target value fluctuation reserve is determined with the help of the external investment consultant concept.

The target value fluctuation reserve amount essentially depends on the following factors:

- Amount of target return
- Investment strategy
- Historical return of investment strategy
- Historical volatility (risk) and correlations of the individual investment categories
- Calculated default probability
- Possibility of reorganisation contributions

The target return is calculated by the expert on occupational pension provision on the basis of the incurred liabilities.

The long-term characteristics of the investment strategy (particularly the fluctuation risk and return) are calculated on the basis of the returns, volatility and correlations of a reference period.

Target value fluctuation reserve as a %

	All-inclusive pension schemes	Purely extra-mandatory pension schemes
GEMINI Pool 0	5.3	7.4
GEMINI Pool 20	10.1	15.6
GEMINI Pool 35	11.9	18.4
GEMINI Pool 50	15.5	24.7
GEMINI Pool Renten 1	13.1	
GEMINI Pool Renten 2	5.5	

A pension scheme is described as all-inclusive if it provides for non-compulsory benefits beyond the scope of the BVG compulsory insurance. Purely extra-mandatory schemes do not cover the BVG compulsory insurance because this is already covered under another pension scheme.

In line with the principle of caution, it is recommended that further reserves are accrued in order also to be able to offset market setbacks lasting several years. The target value fluctuation reserve under these Investment Regulations and corresponding appendices is relevant in the context of a partial liquidation.

REBALANCING CONCEPT

The rebalancing concept relates to the investment strategies GEMINI Pool 0, GEMINI Pool 20, GEMINI Pool 35, GEMINI Pool 50, GEMINI Pool Pensions 1, GEMINI Pool Pensions 2 and GEMINI Pool Money Market Fund employer contributions reserves.

Rebalancing concept

Assets	Investment strategy	Responsibility	Monitoring frequency
Core	Passive	Asset manager	Monthly
Satellite	Passive	Investment Committee	Monthly
Total assets	Passive	Investment Committee	Monthly

