



Looking ahead with confidence

2024 Annual Report

AVENA



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Message

from the chair of the Pension Board

When I took over as Pension Board chair a year ago, one of my goals was to make concrete steps towards supporting AVENA's growth. Today, I'm pleased to see that our Fund has continued to develop and progress in what has been a mixed climate for occupational pension funds. While 2024 was a good year from a financial perspective, from a political one, it underscored how important it is to broaden people's understanding of occupational pension plans – the critical second pillar of Switzerland's retirement system.

Financial markets worldwide fared well in 2024, for the second year in a row. That enabled us to shore up our Fund and improve the returns on members' retirement savings. Our pension board underscored AVENA's commitment to sustainable finance by further developing the Fund's responsible investment roadmap – a path we'll follow while of course meeting our obligations as one of Switzerland's key pension-plan providers. These efforts are a fundamental part of the long-term view we take in managing our Fund.

In 2024, Swiss voters rejected a proposal to update Switzerland's occupational pension act, delivering a clear No vote just when the country's retirement system is about to come under major pressure as the baby boomer generation retires. The last reforms date back to 2005 and 2011. Our country won't be able to move forward until people have a better understanding of occupational pensions and until we speak in a way that resonates with the entire Swiss population. The debates ahead of the referendum once again showed that greater transparency and more concrete information are urgently needed for both workers and employers.

At AVENA, we didn't wait for the referendum results to start taking action. We've been holding information sessions for our insured members at different locations over the past

three years. These events give participants an opportunity to learn more about Switzerland's three-pillar system, how it's applied, and what the key issues are, and to think ahead to the future – that is, to better prepare for retirement. Videos explaining fundamental aspects of Switzerland's second pillar are shown during these events and also made available online.

We also provide opportunities specifically for employers. For instance, we hold information and networking breakfasts in association with *PME Magazine*, and we've teamed up with the Vaud Chamber of Commerce and Industry to offer training for small business owners on occupational pension plans and the associated challenges. These close ties with local businesses reflect our vision of the role of a collective pension fund in society.

I look forward to working with you – our employees and insured members – to further drive our Fund's growth and to anchor AVENA as a partner that makes occupational pension plans easy to understand. We thank you for your ongoing trust in AVENA.

Catherine Vogt



The Fund

at a glance



1,151
pension plans
(including 99 for self-employed
lawyers and notaries)



33%
women on the Pension Board



17,489
fund members
13,765 currently working



109.3%
funded status



CHF **2.914** bn
total assets



7.92%
net return



46
years of experience



3.25%
interest rate on pension assets
(compulsory and supplementary
portions)



Governance



The Pension Board

at 31 December 2024

Employee representatives



Bruno Chappuis

Deputy chair

Chair of the Marcom Committee

- > Marcom Committee
- > Investment Committee



Claudine Imhof

- > Governance Committee
- > Investment Committee
- > Replaced by Bruno Laurent on 1 February 2025



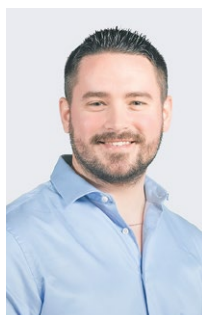
Cosette Hausammann

- > Real Estate Committee
- > Marcom Committee



Claude Rey

- > Governance Committee
- > Investment Committee
- > Audit Committee



Sylvain Rochat
Chair of the Real Estate Committee

- > Audit Committee
- > Governance Committee
- > Real Estate Committee



Delphine Saleres-Deney

- > Real Estate Committee
- > Marcom Committee



Employer representatives



Dominique Blanchard
Chair of the Investment Committee

- > Real Estate Committee
- > Investment Committee



Giovanni Chiusano
Chair of the Audit Committee

- > Audit Committee
- > Governance Committee



Yvan Henzer
Chair of the Governance Committee

- > Real Estate Committee
- > Governance Committee



Alexandre Pahud

- > Real Estate Committee
- > Governance Committee
- > Investment Committee



François Pugliese

- > Marcom Committee
- > Investment Committee



Catherine Vogt
Chair



Interview with Catherine Vogt

“We need to improve people’s understanding of occupational pensions.”

Catherine Vogt, who took over as chair of the AVENA pension board in 2024, spoke with us about one of our Fund’s key challenges: improving the image of the occupational pension system by explaining how it works.

> Looking back on your first year as chair, what stands out to you the most?

First, it’s hard to believe that a year has already gone by! Concretely, I’d say this year was all about learning how the AVENA organization works as a whole. I had a chance to meet with employees in the different business lines that serve our insured members and companies. This first year gave me a solid foundation for making the decisions that our board will be faced with throughout our term of office. I also appreciated the high-quality discussions we had on the board, which has a very constructive group dynamic.

> Of your many objectives while in office, which one would you point to in particular?

I’d say improving our communications, and especially how we communicate on the second pillar of Switzerland’s retirement system. I’m often surprised at how many misconceptions there are about occupational pension plans – misconceptions among not just insured members but also business owners and sometimes even policymakers. I believe it’s our duty as a collective pension fund to clearly explain how these plans work, as they’re so fundamental to the retirement system. For many people, their occupational pension will be their main source of retirement income.

> Are you referring to the No vote in the referendum to update Switzerland’s occupational pension act?

Yes, of course, but that’s not all. Regarding the 2024 referendum, it was the latest in a series of referendums on this issue where policymakers were unable to get their message across. The last real reform took place in 2005, as the 2011 one was more structural in nature. So our system has been paralyzed for 20 years even though the demographic, economic, and financial landscape has shifted. The working world has also changed with the emergence of new forms of employment. If we want Swiss people to think seriously about the issues affecting their occupational pensions, we need to stop using technical jargon and speak in a language that’s easy for them to understand, explaining the different aspects in concrete terms. Here, when I say “we” I mean all the stakeholders involved in Switzerland’s occupational pension system, which is generally seen as being quite complex. This need for clearer communication shows

up repeatedly when I speak with our clients – mainly small business owners and company managers – and at occupational pension-themed events.

> Can you give us some examples of the misconceptions?

Unfortunately, there are a lot of examples to choose from, but I’ll give you two. First, people still struggle to understand the concept of the mandatory conversion rate. Despite all the talk there’s been recently about occupational pension plans, many people don’t understand why we mention a 6.8% conversion rate when the rate at their companies is lower. And second, pension plans aren’t really discussed during job interviews even though they’re an integral part of pay packages and can vary significantly from one company to the next. With many businesses currently facing a shortage of workers, an attractive pension plan can be a real advantage for HR departments as well as employees.

> What is AVENA’s role?

As one of Switzerland’s major pension-plan providers, we have a duty to help explain the country’s retirement system. It’s also in our own interest, because that will enable our industry to evolve. We’ve already taken steps in this direction – such as with our evening information sessions – but we need to keep going and broaden our channels of communication. There are a lot of options to explore, and we want to encourage people to take ownership of how their retirement savings are managed.

> More broadly, what message would you like to give our insured members?

As I mentioned earlier, occupational pension plans aren’t necessarily a simple topic, but they’re important for people of any age. I’d like our insured members to know that AVENA, as an occupational pension fund, is here to understand their needs and offer the right solutions for their retirement and other life goals.

For more insights from Catherine Vogt, [watch our interview from early 2024 \(in French\)](#):

Fund updates



Fund members



43.21 years
Average age of working members



CHF **109,240**
Average pension assets per working member



74 years
Average age of pension recipients



CHF **23,178**
Average annual pension income



84
Number of times pension funds were used to help finance the purchase of a home



CHF **70,875**
Average amount withdrawn to help finance the purchase of a home



234
Number of new pension recipients



137
Number of members who opted to receive a lump-sum payment at retirement



CHF **361,992**
Average lump-sum payment at retirement

Working members

8,013
men

5,752
women

13,765
total

Pension recipients

2,391
retired members

398
disabled members

640
spouses

24
bridging pensions

271
children

3,724
total

AVENA evening information sessions

Over 250 fund members attended AVENA's three evening information sessions held in fall 2024, the third year in a row we have offered this event. The impressive online and in-person turnout and the numerous questions asked underscored members' need for information on the Swiss pension system, as well as their keen interest in retirement planning.

This year, for the first time, we used a different format for each information session. The first one, "**Occupational pension Q&A night**," was our first extended question-and-answer session run both in-person and online; it proved to be a hit, with close to 120 questions asked at the event. The following session, "**The ABCs of your occupational pension**," was held as a German-only online event for the first time and drew a large crowd. The final session, "**Key steps in retirement planning**," was held in Lausanne in person, bringing together fund members of all ages from across Vaud Canton.

> Advantages of AVENA

Some fund members had questions about how the Swiss pension system works in general: When can I take early retirement? What steps do I need to take now if I want to retire in five years? How is the conversion rate calculated, and how low can it go? What reference salary will be used to calculate my AVS pension if I change employers one year before retirement?

Other members asked questions specific to how AVENA works, which gave panelists the opportunity to highlight AVENA's advantages relative to other pension funds. These include the inability to rapidly reduce the conversion rate under the current regulations, and the fact that if a member dies before retirement, any voluntary contributions (less early withdrawals) will be returned to the beneficiaries.

> Spotlight on phased retirement

Fund members' questions also pointed to their embrace of the trend toward phased retirement: Can I continue to work after I retire? In which canton does it make sense tax-wise

to hold my retirement capital if I retire abroad? Can I stop working at 55? Should my retirement budget be the same at 86 as it is when I'm 66? Questions such as these showed that people in Switzerland are increasingly choosing to keep working at least part-time in retirement or to ease into retirement, whether for financial reasons or to maintain social ties.

> Voluntary contributions: beyond the basics

These increasingly complex retirement situations also prompted a great many questions about voluntary contributions, also known in Switzerland as "purchasing" past years to close any gaps in pension coverage. Until what age can I continue to make voluntary contributions? How do I make voluntary contributions when I have several businesses registered in my name? How can I simulate my options for making voluntary contributions?

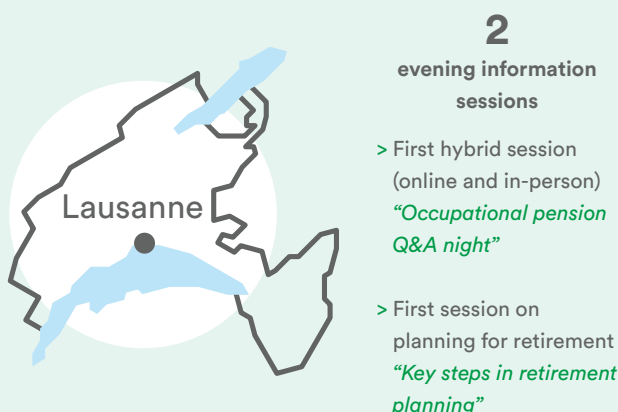
Francis Bouvier, the director of AVENA, and Olivier Reymond, a retirement planning specialist at BCV, reviewed the basics of voluntary contributions in their presentations. They also provided tips and tools for fund members on understanding their pension statements, preparing a retirement budget, keeping in mind important deadlines, spreading their pension assets across several accounts in order to stagger withdrawals, and more.

> "Take out your phones!"

The sessions were highly interactive, with attendees encouraged to use their mobile phones to submit anonymous questions and respond to live polls, such as "How many of you have already made a retirement budget?" Despite the differences in fund members' individual situations, this format revealed a number of common questions and doubts – underscoring the importance of information sessions like these. See you in 2025!

> Learn more

Scan the QR code below for a recap of the three information sessions and answers to a number of questions asked by fund members.



1
online session
held in German



250+
attendees



200+
questions

Key figures and information



2024 economic overview

The financial markets had another good year in 2024, with most asset classes fully recovering their 2022 losses. The two standouts were equities and gold – an unlikely combination that points to a disconnect between the financial markets and the news cycle.

In equity markets, the US was the clear winner, as tech stocks drove an outperformance based on solid corporate earnings, a decline in inflation, and a shift in monetary policy. Emerging markets finished a distant second, drawing support from China’s stimulus measures, while European markets posted modest gains. In Switzerland, index heavyweights faced headwinds owing in part to investors’ increased risk appetite, which worked against defensive stocks.

Broadly speaking, stock market performance reflected economic developments. The global economy continued its soft landing thanks to the US’s continued strength. Growth in Europe was weak, as traditional powerhouses France and Germany lost momentum, while China tried to get its economy back on track with a series of coordinated stimulus measures. Switzerland’s small, export-driven economy posted slightly below-average growth but held up well despite the strong Swiss franc and Germany’s economic woes.

Gold had a record year, driven by geopolitical tensions and increased demand from emerging-market central banks. Bonds made a comeback in portfolios, although not all sectors fared as well as high-yield debt and investment-grade Swiss bonds. Swiss listed real estate bounced back as the sector’s solid fundamentals were boosted by interest rate cuts.

Our portfolio delivered a 7.9% net return for the full year for all asset classes.

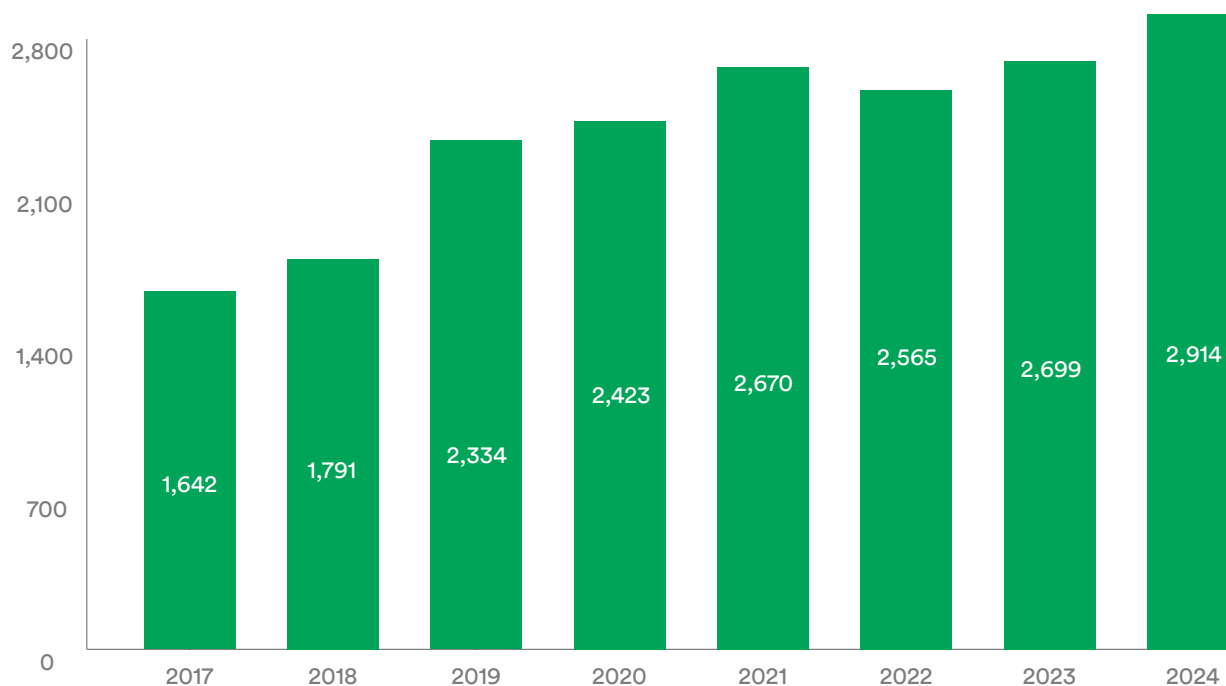
The main asset management agreement performed well over the last three years:

	Portfolio (gross return)	Benchmark
Performance	2.41%	2.31%
Annualized performance	0.80%	0.77%

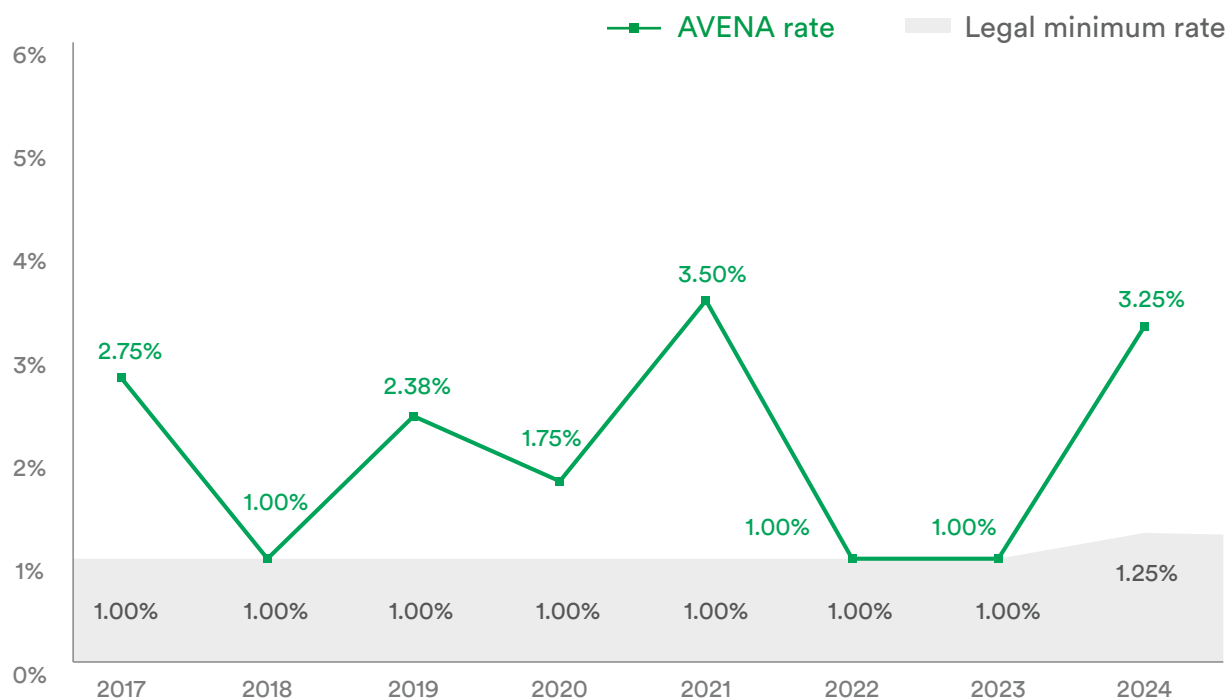


Key figures

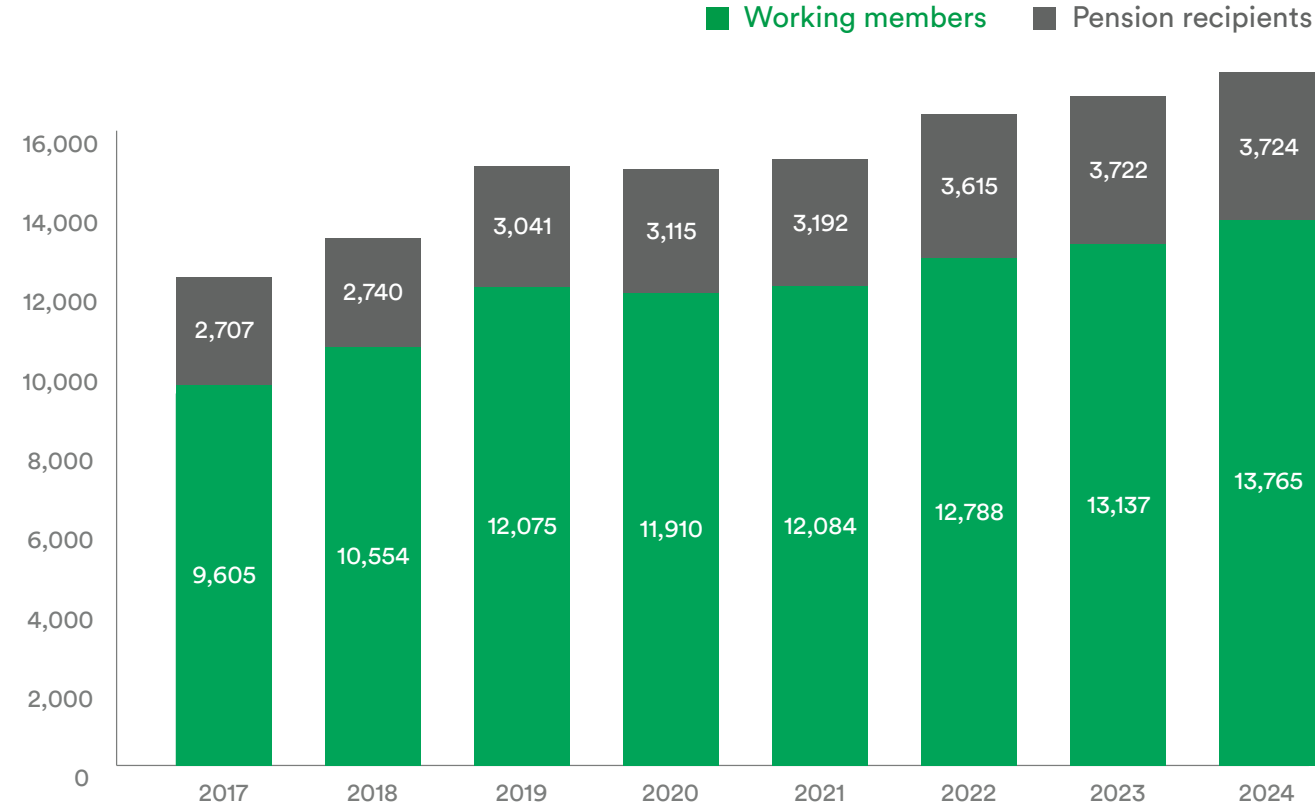
> Pension assets [in CHF millions]



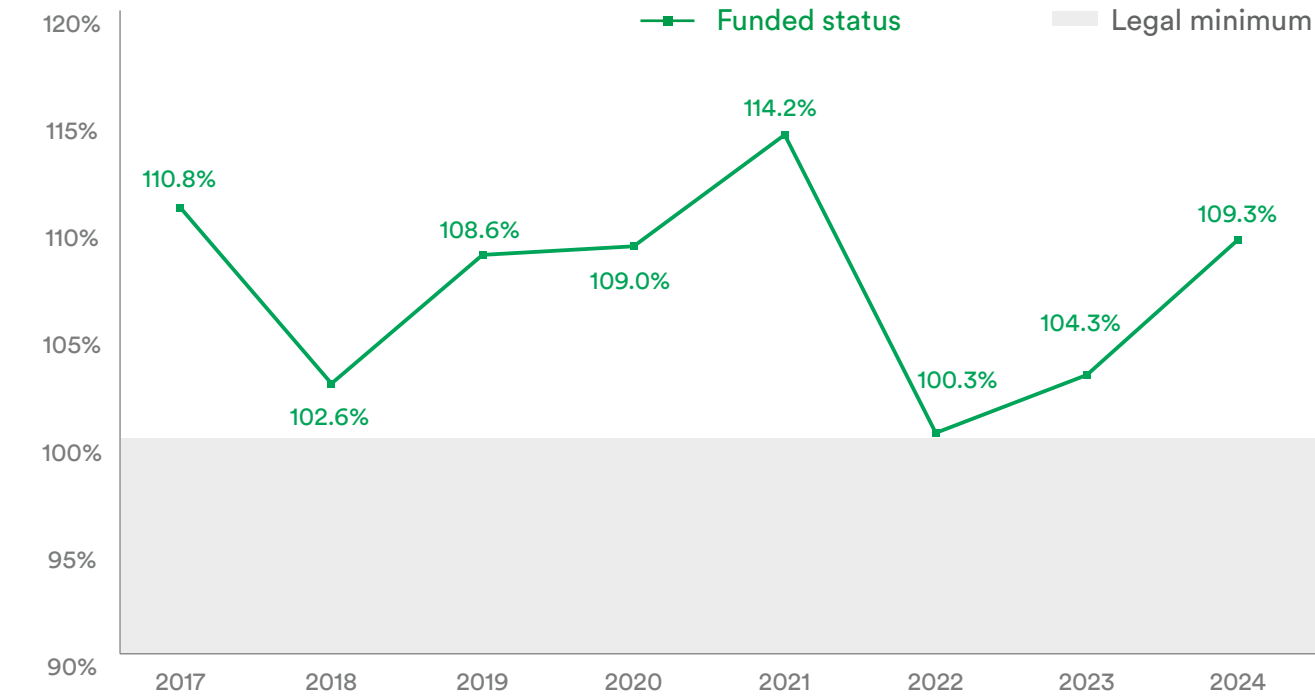
> Interest rate on pension assets



> Number of insured members



> Funded status



Fund holdings

at 31 December 2024

Asset class	Allocation at 31 December 2024	Strategic allocation
Cash and cash equivalents (including fiduciary investments)	4.70%	2.50%
CHF bonds	19.04%	20.00%
Non-CHF global bonds	15.39%	16.00%
Swiss equities	11.10%	12.00%
Foreign equities	17.51%	17.00%
Swiss real estate (including direct real estate)	19.57%	18.00%
International real estate	1.97%	2.00%
Hedge funds	5.25%	6.00%
Commodities (only indirect investments)	1.84%	2.50%
Private equity	1.94%	2.00%
Infrastructure	1.69%	2.00%
	100.00%	100.00%



Type of holding	CHF	31/12/2024	Strategic allocation	Tactical allocation range	
				Min.	Max.
		%	%	%	%
Cash and cash equivalents					
Cash at banks in CHF	113,484,918	3.89			
Cash at banks in foreign currency	427,621	0.01			
Shares in money-market funds	2,093,591	0.07			
Other	20,989,206	0.72			
Total cash and cash equivalents	136,995,334	4.70	2.5	0.0	10.0
Bonds (including accrued interest)					
CHF bonds	554,800,731	19.04	20.0	11.0	29.0
Total CHF bonds	554,800,731	19.04	20.0	11.0	29.0
Hedged non-CHF government bonds	277,885,489	9.54	10.0	5.0	15.0
Hedged non-CHF corporate bonds	118,126,803	4.05	4.0	2.0	6.0
Hedged emerging-market non-CHF bonds	52,465,420	1.80	2.0	0.0	4.0
Total non-CHF bonds	448,477,711	15.39	16.0	7.0	25.0
Total bonds	1,003,278,442	34.43			
Equities					
Swiss equities	323,557,937	11.10			
Total Swiss equities	323,557,937	11.10	12.0	8.0	16.0
International equities	315,089,193	10.81	10.0	7.0	13.0
Hedged international equities	109,757,611	3.77	4.0	3.0	5.0
Emerging-market equities	85,406,027	2.93	3.0	1.0	5.0
Total international equities	510,252,830	17.51	17.0	11.0	23.0
Total equities	833,810,767	28.61			
Real estate					
Listed Swiss real estate	503,452,681	17.28	15.0	8.0	22.0
Unlisted Swiss real estate	66,720,779	2.29	3.0	1.0	5.0
Total Swiss real estate	570,173,459	19.57	18.0	9.0	27.0
Hedged international real estate	57,522,665	1.97	2.0	0.0	3.0
Total real estate	627,696,124	21.54			
Hedge funds					
Total hedge funds	152,935,772	5.25	6.0	3.0	9.0
Commodities					
Total commodities	53,508,626	1.84	2.5	0.0	5.0
Private equity					
Total private equity	56,583,521	1.94	2.0	0.0	4.0
Infrastructure					
Total infrastructure	49,313,355	1.69	2.0	0.0	4.0
Total assets	2,914,121,937	100.00	100.0		

Balance sheet

at 31 December 2024

	31/12/2024 CHF	31/12/2023 CHF
Assets		
Investments		
CHF current accounts	115,578,509	138,775,986
Currencies	427,620	70,278
Securities	2,709,714,414	2,462,718,878
Real estate	66,720,779	72,022,251
Total investments	2,892,441,320	2,673,587,395
Accruals	21,680,617	25,313,168
Total assets	2,914,121,937	2,698,900,563
Liabilities and equity		
Liabilities		
Termination benefits and pension benefits	58,463,641	61,031,348
Banks and insurance companies	25,563	136,130
Other	666,098	1,353,365
Total liabilities	59,155,302	62,520,844
Deferrals	13,257,110	15,856,411
Employer contribution reserve	33,350,006	29,051,026
Pension capital for working members	1,602,306,112	1,528,206,168
Pension capital for pensioners	895,942,368	887,098,078
Actuarial reserves	62,837,538	61,359,740
Non-committed funds belonging to members	7,606,896	8,327,185
Total pension capital and actuarial reserves	2,568,692,913	2,484,991,173
Value fluctuation reserve	239,666,609	106,481,107
Fund capital, free assets		
Opening balance	0	0
Total Fund capital, free assets	0	0
Total liabilities	2,914,121,937	2,698,900,563

Income statement

	2024 CHF	2023 CHF
Ordinary and other contributions	172,434,120	167,072,311
Transfers-in	203,035,323	268,649,156
Inflow from contributions and transfers-in	375,469,443	435,721,468
Regulatory benefits	-126,335,313	-110,001,394
Non-regulatory benefits	-5,785	-143,322
Termination benefits	-229,451,699	-189,419,223
Outflow for benefits and early withdrawals	-355,792,796	-299,563,940
Release/creation of pension capital, actuarial reserves, and contribution reserves	-88,000,718	-147,255,479
Income from insurance benefits	18,074,195	19,279,186
Insurance expenses	-15,944,343	-14,324,793
Net income from insurance components	-66,194,220	-6,143,557
Net return on investments	209,631,783	115,715,568
Other income	183,221	858,403
Administrative fees and other fees	-10,435,284	-10,205,297
Income/(expense) before change in value fluctuation reserve	133,185,501	100,225,117
Change in value fluctuation reserve	-133,185,501	-100,225,117
Net income/(expense)	0	0





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