Annual Report 2024

publica
THE PENSION PROVIDER

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Foreword

Dear readers

At the end of 2024, the funded ratio of the PUBLICA collective institution had risen to 104.6%. All pension plans had funded ratios of over 100%. This is thanks to the fact that, with few exceptions, all asset classes delivered positive returns. The consolidated net investment return was 5.9%.

At the end of 2024, PUBLICA reached the mid-point of its 2023–2026 strategy period.

Our annual report details the measures we are taking to achieve our strategic goals.

For example, we have introduced two new guidelines setting out our strategic ethos as the Federal Pension Fund. These stipulate that new employers may only affiliate under specific conditions. In August 2024, the Federal Council adopted its dispatch on amendments to the Federal Personnel Act and PUBLICA Act. We stated our case on issues that affect us, such as the separation of provisions on financing and benefits, the possibility of offering risk benefits on a defined benefit basis, and the option to develop multiple strategic asset allocations. We are increasing the risk budget for investments and progressively implementing the new strategic asset allocation to enhance the role played by the "third contributor" (asset management). Another example is the modernisation of our IT infrastructure: business-critical applications such as the membership administration program and accounting software are being outsourced to our service provider's computer centre, to ensure a higher level of availability.

In September 2024, we conducted a comprehensive survey of our active members to find out for the first time what they think about our image, pension offerings, strategic asset allocations, course programme, digital transformation and communication. The results showed very good ratings for quality of contact and service orientation.

We are thus very proud of our dedicated staff who are helping to implement the changes. You can see some of them in the photos in this Annual Report.

We hope you enjoy reading it.

Kaspar Müller
Chair of the Board of Directors, PUBLICA

Doris Bianchi
Director, PUBLICA

Bern, 25 March 2025

69,629
Active members

41,762
Pension recipients

104.6%
Regulatory funded ratio

92.6%
Economic funded ratio

CHF 42.5 bn
Total assets

0.21%
Asset management expenses as per OPSC minimum requirements

+5.9%
Net investment performance

CHF 37,070
Median value of retirement pension per person

CHF 140
Administrative expenses per active member / pension recipient

PUBLICA: who we are

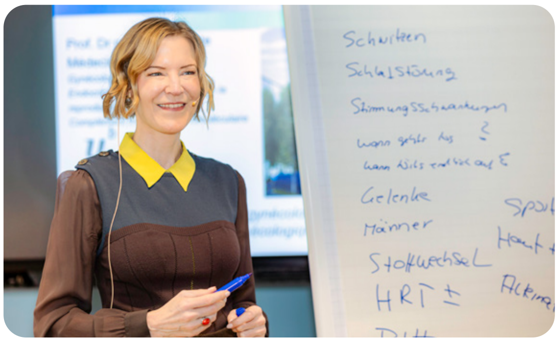
We are the Federal Pension Fund. We are committed to ensuring that our active members receive good, reliable pension benefits. To that end, we invest their assets responsibly and profitably.

– Our active members work within the federal government, the ETH Domain and other organisations that fulfil public tasks.
– The benefits we provide are central to ensuring that our active members can maintain their accustomed standard of living in an appropriate way once they retire. We insure our active members and their relatives financially in case they become unable to work, and in the event of death.
– We finance our benefits using the funded system: we invest the contributions our active members pay in a responsible and profitable way, and pay them an annuity or a lump sum when they reach the end of their insurance period. Our benefits are safeguarded for the long term.
– With assets of CHF 42.5 billion and some 111,000 members, we are one of the biggest pension funds in Switzerland. We want to take the lead for the sector by actively embracing change.

Our highlights of 2024

Patrick Bonadei new Head of Pensions

Patrick Bonadei is appointed Head of Pensions and a member of PUBLICA's Executive Board with effect from 1 June 2024. He gained a Bachelor of Science in Mathematics and a Master of Science in Statistics from the University of Bern and is a federally certified pension insurance expert. He joins PUBLICA from the consulting firm Pittet Associates Ltd.
More on the appointment of Patrick Bonadei



The menopause in the workplace – breaking taboos at a PUBLICA women's event

"The menopause is not an illness" is the main message of speakers Prof. Petra Stute and Dr. Judith Boban at an event for PUBLICA's women's network.
More about working for PUBLICA

Apprenticeships successfully completed

Yannick successfully completes his media and technology apprenticeship, Angela her commercial apprenticeship. Summer sees Chiara start her training as a media and technology specialist, and Andjela as a commercial employee.

More about apprenticeships at PUBLICA

Dispatch on the revision of the Federal Personnel Act

The Federal Council adopts the dispatch on the Federal Personnel Act (FPA). One central point affects PUBLICA: the existing rules grant the Federal Council extensive powers to approve changes to the pension plan regulations of the decentralised units of the Federal Administration. The intention now is to separate responsibilities, to create clarity and simplify processes. The proposal will be debated by the National Council in spring 2025 at the earliest.

To the proposal

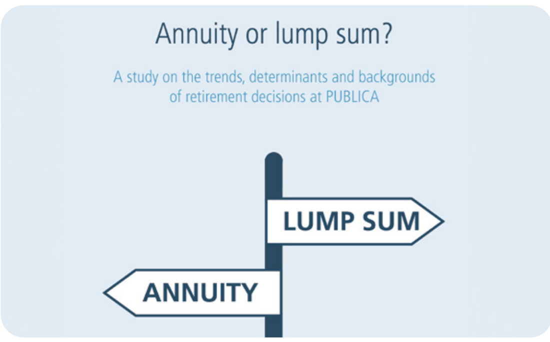
Technical interest rate rises

The Board of Directors decides to raise the technical interest rate from 2.00% to 2.25% at the end of 2024. This slightly improves the funded ratios and reduces retirement losses.

Share the Stage with the Federal Compensation Office

Thinking more holistically about the first and second pillars of pension provision benefits active members too. Six members of staff shadow their counterparts to learn more about how they work.

To the Share the Stage video



Annuity or lump sum? A study by PUBLICA

More and more people are opting to receive a lump sum rather than an annuity when they retire. PUBLICA looks into why and publishes a study on the topic.

To the “Annuity or lump sum?” study

Elections for all members of the Assembly of Delegates

The active members insured with PUBLICA elect their delegates. The most important task of the Assembly of Delegates is to elect the employee representatives on the Board of Directors.

To the delegates

In 2024, the consolidated net investment performance was 5.9%. As a result, the consolidated funded ratio also rose, to stand at 104.6% at the end of 2024. This means that none of the pension plans is underfunded any more. We are at the mid-point of our strategy period and have prepared, and in some cases implemented, a large number of projects.

2023–2026 strategy period

2024 was the second year of the 2023–2026 strategy period, in which PUBLICA is pursuing the following priorities:

– Aligning ourselves more closely with the needs of our active members and their employers
– Enhance the role played by the “third contributor” (asset management)
– Using digital technologies where sensible and necessary
– Simplifying our structures

The impact of the strategy can already be seen at many points in the Annual Report. The following projects are making an especially important contribution to implementing the strategy:

– As part of the 2023–2026 strategy we have drawn up two new guidelines: one on reinsurance and one on affiliations. According to the new strategy, affiliations to PUBLICA are only possible under two conditions: either if an organisation already affiliated to us becomes independent, or if the law provides for affiliation.
– On 28 August 2024, the Federal Council adopted its dispatch on amendments to the Federal Personnel Act (FPA) and PUBLICA Act. We stated our case on issues that affect us, such as the separation of provisions on financing and benefits, the possibility of offering risk benefits on a defined benefit basis, and the option to develop multiple strategic asset allocations.
– In September 2024, we carried out a comprehensive survey of our active members, inviting them to tell us for the first time what they think about our image, pension offerings, strategic asset allocations, course programme, digital transformation and communication. It was the first survey of active members in ten years that was not prompted by a business case. For years now, we have been polling our customers on special business cases, such as promotion of home ownership, and the feedback has been very positive.
– We are increasing the risk budget and progressively implementing the new strategic asset allocation. Our real estate portfolio in Switzerland is growing. In 2024, we acquired three properties in Bussigny, Lausanne and Zurich. This enhances the role played by the “third contributor” (asset management).
– We are modernising and strengthening our IT architecture. Business-critical applications such as the membership application and accounting software are being outsourced to our service provider’s computer centre to ensure a higher level of availability, even in exceptional situations such as a power shortage.

The strategic principles also cover our ethos (page 7) and core values: responsible, service-oriented, proactive. The Board of Directors adopted the strategic principles in June 2022.

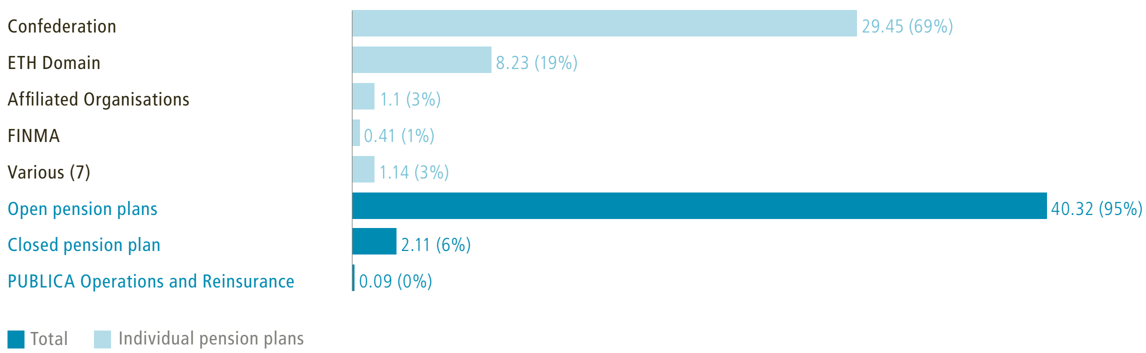
Pensions

At the end of 2024, PUBLICA operated eleven open pension plans and one closed plan. Until the end of 2023, there had been seven closed pension plans. They were merged on 1 January 2024. Open pension plans also include active members, while closed pension plans are made up entirely of pension recipients. Each pension plan is organisationally and economically independent, and calculates and reports its own funded ratio. Eight of the eleven open pension plans have reinsured themselves internally against the financial consequences of deaths and disability, while the other three bear those risks themselves.

The pension plans differ in size and membership structure.

Pension plans by type and institution

As at 31.12.2024, in CHF bn and percentage of total assets



The Board of Directors, PUBLICA's supreme governing body, decided to raise the technical interest rate for the open pension plans from 2.0% to 2.25% from the end of 2024. This permitted the release of pension recipients' pension fund capital and of provisions for retirement losses. The open pension plans are valued at a technical interest rate of 2.25% and have funded ratios of between 103.7% and 109.2% (prior year: 97.5% and 109.8%).

All eleven open pension plans were in surplus at the end of 2024; a year earlier, three had been underfunded. Owing to the low interest level (lower than the technical interest rate of 2.25%), the economic funded ratios are lower than the regulatory funded ratios and are between 91.3% and 99.1% (prior year: between 89.8% and 104.1%).

The closed pension plan consists entirely of pension recipients, some from the federal operations (including Swisscom and RUAG) that were hived off at the turn of the millennium, and some from former affiliated organisations. Its funded ratio is 110.1% (prior year: 100.6%). It is still valued at a technical interest rate of 0.5%. The economic funded ratio is 108.4%.

PUBLICA's strategy is not geared to generating more employer affiliations. For that reason, we will not set up any new pension plans and consequently no longer qualify as a pension institution engaged in competition as defined by the Occupational Pension Supervisory Commission.

Active members: increased numbers

At the end of 2024, PUBLICA was providing services to 69,629 active members and 41,762 pension recipients. The number of active members rose by around 1% (701), owing mainly to an increase in the number of people employed by the federal government. The number of pensioners fell slightly.

In all, around 111,000 people are insured with PUBLICA. Around 25,000 admissions and departures are recorded annually, for example due to members joining and leaving, as well as retirements and deaths. The proportion of women is 38.5%. This figure is slightly higher among the pensioners than among the active members.

Risk-insured and fully insured active members

2024, in no. of persons

	31.12.2023			31.12.2024			Change	
	Total	Women	Men	Total	Admissions	Departures	absolute	in %
Risk-insured active members	1 128	440	657	1 097	748	779	–31	–2.7%
Fully insured active members	67 800	26 358	42 174	68 532	10 790	10 058	732	1.1%
Total active members	**68 928**	**26 798**	**42 831**	**69 629**	**11 538**	**10 837**	**701**	**1.0%**

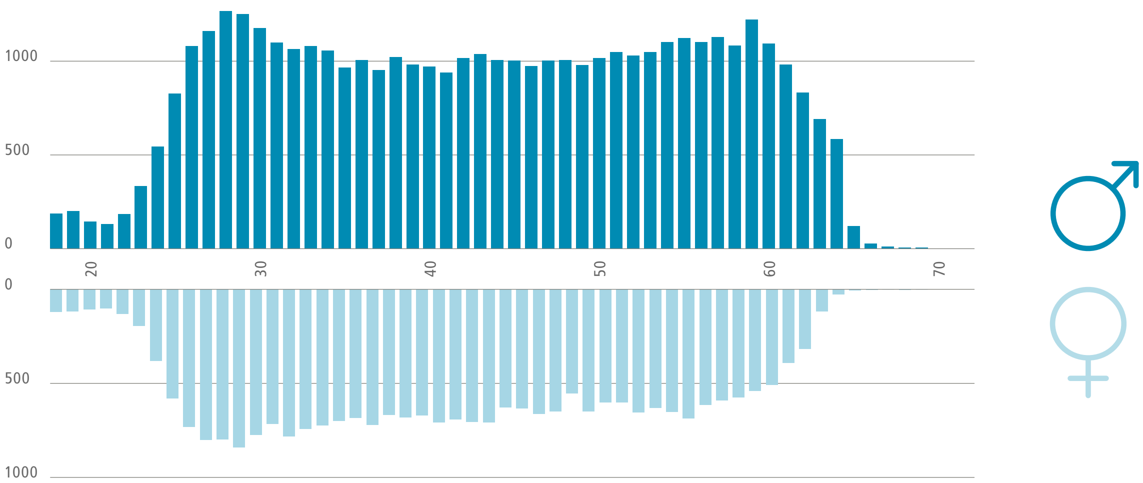
From the 1 January following their 17th birthday, members are insured against the risks of death and disability. As of the 1 January following their 21st birthday, PUBLICA members are fully insured and in the saving process.

Baby-boomer generation coming up to retirement

PUBLICA has already recorded a higher number of retirements over recent years. In 2024, the youngest cohort of the baby-boomer generation (those born in 1964) reached 60, the earliest age at which active members can retire. The average retirement age is 63.5, as the next section shows. We therefore expect the number of retirements to rise further in the coming years. The chart below shows the number of active members at the 2024 reporting date, broken down by age group and gender.

Age structure of active members

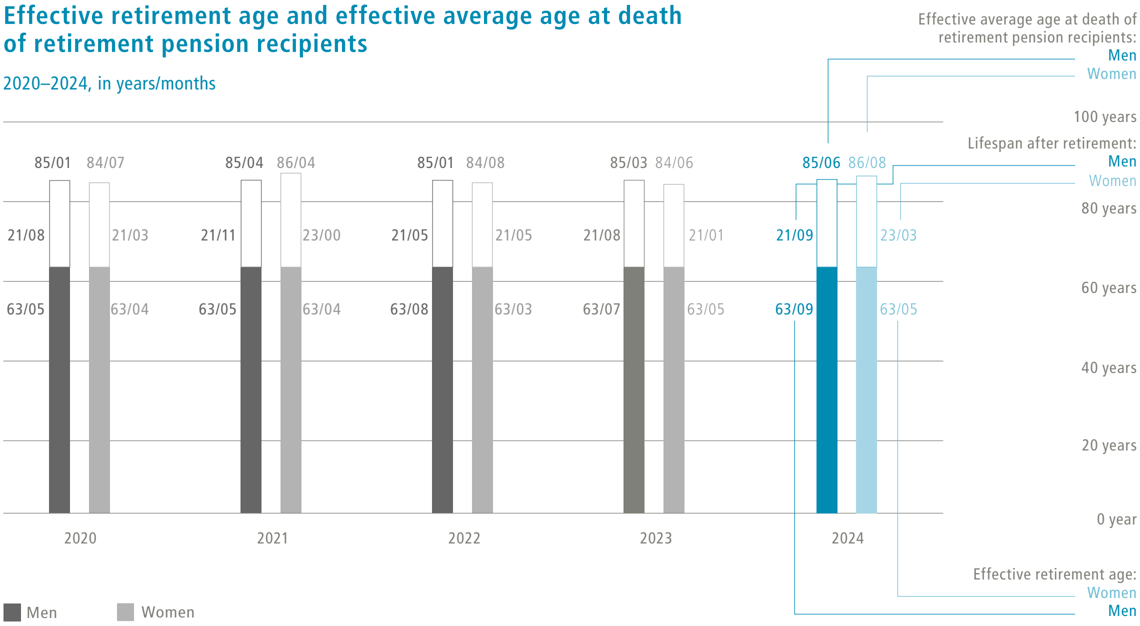
31.12.2024, in no. of persons



Retirement age remains stable

Effective retirement age and effective average age at death of retirement pension recipients

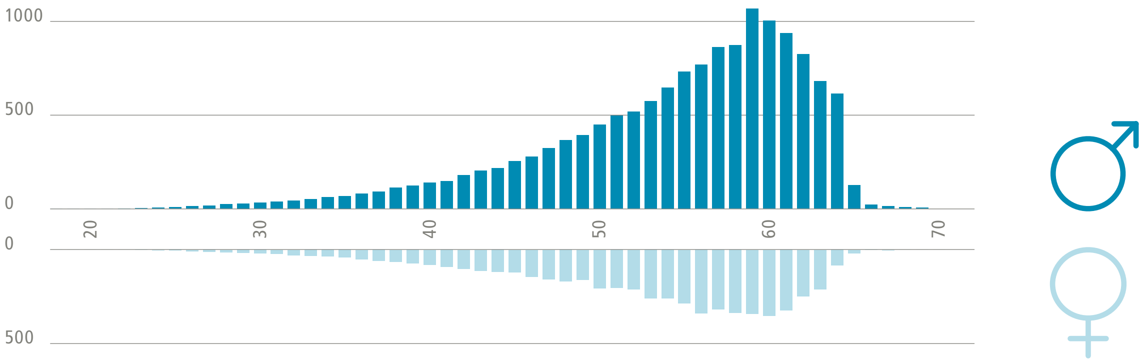
2020–2024, in years/months



The average retirement age is just over 63.5. This figure is below the reference age, and means that many of PUBLICA's active members take early retirement, either partially or in full. After retirement, our members draw their pension for an average of 22 years. A retirement pension insures two lives: PUBLICA pays retirees a pension for the rest of their life, and after their death, depending on marital status, the surviving partner receives 67% of the retirement pension for the rest of their life.

Retirement assets of active members, by age and gender

31.12.2024, in CHF mn



This chart shows the total retirement assets per year of age. Most people's salaries increase over the course of their careers, and the savings contributions are staggered and accrue interest. This combination means that the retirement assets are cumulatively at their highest at the age of 59.

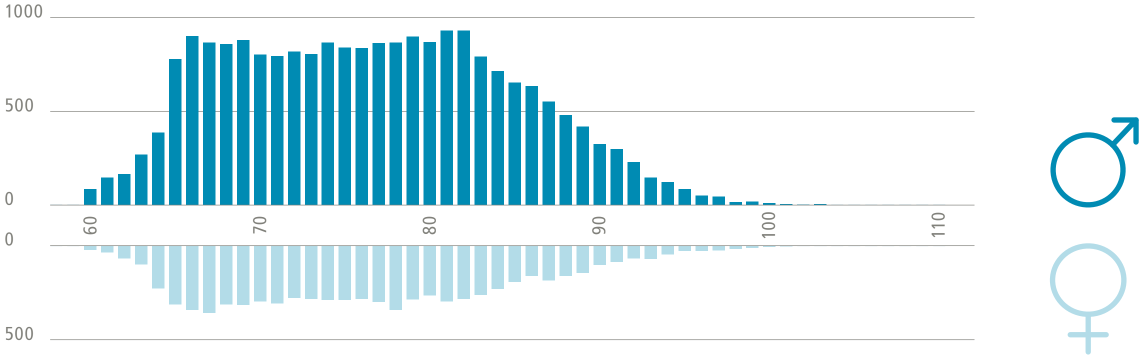
However, the chart does not show the number of persons of each age and thus provides no indication of the average retirement assets per person. The decline in retirement assets from age 59 is due to the fact that many people withdraw a portion of their assets as a lump sum.

Members taking advantage of early retirement

The age structure of pension recipients has financial implications for a pension plan. The funding capital of pension recipients declines with age, because statistically the expected future payments decrease. The age structure and selected pension data by gender are set out below.

Age structure of retirement pension recipients

31.12.2024, in no. of persons



In 2024, a little over 900 people at PUBLICA retired early, either partially or in full.

Pension recipients by pension type

2024, in no. of persons

	31.12.2023			31.12.2024			Change	
	Total	Women	Men	Total	Admissions	Departures	absolute	in %
Retirement pensioners	29 732	7 620	22 124	29 744	1 449	1 437	12	0.0%
Disability pensioners	853	393	460	853	80	80	0	0.0%
Spouse's pension recipients	10 102	9 569	412	9 981	639	760	–121	–1.2%
Child's pension recipients	1 057	512	563	1 075	374	356	18	1.7%
Divorce pension recipients	103	109	0	109	9	3	6	5.8%
Total pension recipients	**41 847**	**18 203**	**23 559**	**41 762**	**2 551**	**2 636**	**–85**	**–0.2%**

PUBLICA records recipients of a retired person's child's pension, disabled person's child's pension or orphan's pension within the category of "child's pension recipients". In 2024, there were almost as many admissions as departures. By contrast, there was a net decrease in spouse's pensions owing to events such as death or remarriage.

Income distributed to pension recipients

PUBLICA is financed under the funded system. This means that the investment income is needed in order to pay interest on the assets of active members and the pension fund capital of pension recipients, and to fund any changes in the provisions policy (in particular changes to the technical parameters, which are now recorded as a provision for retirement losses). Accordingly, a fixed proportion of the investment income is required to ensure that the same level of pension can be paid to pension recipients for the remainder of their lives, something which they have been guaranteed.

Distribution of investment income

2024, in CHF mn

	Active members	Pension recipients	Total
Interest	–346	–354	–699
Creation of provision for retirement losses	458	0	458
Release of policy reserves	0	417	417
Share of costs borne by active members / pension recipients (effective)	**112**	**63**	**175**
Share of costs as per pension fund capital	**94**	**81**	**175**
Redistribution to (+) / from (–)	**–18**	**18**	

Historical trend, in CHF mn	Active members	Pension recipients
2024	**–18**	**18**
2023	–65	65
2022	–70	70
2021	89	–89
2020	–86	86

In 2024, CHF 346 million flowed to active members in the form of interest credits on their retirement savings. CHF 458 million of the previous provision for changes to technical parameters was released in favour of the funded ratio. CHF 354 million flowed to pension recipients. Further liabilities amounting to CHF 417 million were liquidated as a result of the increase in the technical interest rate. This meant that around 36% of the funds distributed went to pensioners, and 64% to active members. In terms of the available pension fund capital, the proportions are 46% to pension recipients and 54% to active members. In this comparison, CHF 18 million less was credited to the active members.

Amount and median value of pension types

	Men	Women	Total
Total amounts	**1 071 165 565**	**515 204 859**	**1 586 370 423**
Retirement pensions	1 021 650 364	205 833 967	1 227 484 331
Disability pensions	15 519 892	10 833 695	26 353 587
Spouse’s pensions	6 713 376	289 526 330	296 239 706
Child’s pensions	4 603 207	4 188 864	8 792 071
Divorce pensions	0	2 422 625	2 422 625
Median values	**38 926**	**25 235**	**32 620**
Retirement pensions	41 266	24 139	37 070
Disability pensions	30 752	24 818	27 984
Spouse’s pensions	13 166	26 687	26 201
Child’s pensions	7 406	7 472	7 431
Divorce pensions	0	20 148	20 148

The “total amounts” figure indicates the insured pensions of the membership at the reference date and not the pensions actually paid out during the year under review. The figure for pension recipients does not include retirement bridging pensions or IV/AI replacement pensions. For statistical purposes, those who took retirement before reaching the statutory retirement age, took their pension 100% as a lump sum or receive a bridging pension are recorded as retirement pension recipients in the membership count. Partial pensions (partial retirement and disability pensions) are included.

Adjustments to pension plan regulations

The parity commissions, working with PUBLICA's office and the Board of Directors, approved and prepared for adjustments that came into force at the start of 2025. PUBLICA notified all active members of the adjustments in June and December 2024.

The key changes are:

- The OASI reference age rises to 65: as part of the OASI 21 reform, the retirement age for women begins rising in stages from 1 January 2025. This means that women will have the same reference age for retirement as men, namely 65. PUBLICA is therefore bringing the conversion rate for women into line with that for men. Women born in 1963 or earlier will retire at the existing conversion rate.
- Notifying PUBLICA of a life partnership becomes easier: active members and pensioners can now notify PUBLICA of their life partnership during the lifetime of both partners directly via the myPublica portal. The life partnership agreement is no longer required.

The following additional changes are made to the ETH Domain pension plan:

- In the event of death, the assets from voluntary savings contributions are paid out as a one-time, lump-sum settlement. Active members can change the order of eligibility for benefits between the parents and siblings. The declaration must be submitted within three months following the death.
- Lump-sum withdrawal instead of a spouse's or life partner's pension: in the event of the active member's death, the partner can decide to draw the survivor's benefit either wholly or partially as a one-time, lump-sum settlement. All of PUBLICA's other pension plans already allow for this option.

The regulations for the Affiliated Organisations pension plan have been amended to give the employer the option of setting an entry threshold.

Active member survey shows high level of service orientation and contact quality

PUBLICA conducted a survey to find out how satisfied its active members are with pension issues and identify customer needs that are not currently being met. The online survey, which took place in September 2024, approached some 67,000 people. The response rate was 19%, sufficient to be meaningful. The key findings are:

- PUBLICA received top marks for service orientation and quality of contact with pension advisors. Satisfaction levels are very high.
- There is a desire for a personal contact and more extensive advice.
- Members also report needs regarding future pension offerings.
- The website publica.ch is a very important medium for obtaining information.
- The myPublica portal is very popular.
- Some publications are considered less than easy to understand in certain areas.
- Awareness of the pension course programme remains low.
- Satisfaction with the expected pension benefits (e.g. forecast pension on retirement, death and disability benefits) is on the low side.
- The lowest level of satisfaction is with the annual interest on retirement benefits.

Some 1,400 people expressed an interest in personal advice. They have been contacted by PUBLICA. The Executive Board has examined the results in depth and drawn up a series of measures and a roadmap.

myPublica sees increased user numbers

The number of people using myPublica rose once again during the year. As of 31 December 2024, 38,305 active members (prior year: 27,300) and 3,323 pension recipients (prior year: 3,100) had registered on myPublica.

However, the crucial success factor for the portal is not so much registration as actual use. In total, those registered visited the portal 190,000 times in 2024 (prior year: 143,000). Once again, retirement was the most popular simulation function. Active members used myPublica around 111,000 times to simulate their pension, at various retirement ages and drawing their pension in different ways. The second most popular function was the buy-in calculation, for which almost 17,000 simulations were carried out. In third place were voluntary savings contribution simulations, which were carried out almost 13,000 times.

In May and June, PUBLICA visited various government offices with a pop-up stand to help employees register with myPublica. The initiative was a pilot, and is considered to have been a success. Staff at the offices visited also made extensive use of the opportunity to ask questions about their occupational pension.

As part of its annual programme for 2024, the Swiss Federal Audit Office (SFAO) inspected the myPublica portal to evaluate its IT security, identify potential for optimisation and assess the operation of the portal at the Federal Office of Information Technology, Systems and Telecommunication FOITT. The SFAO found that the security of the myPublica portal environment essentially complies with the federal guidelines and recognised best practices.

Annuity or lump sum

Anyone coming up to retirement has an important decision to make: should they take an annuity, a lump sum or a combination of the two? An analysis conducted by PUBLICA shows that more and more members are taking the lump-sum option: between 2013 and 2023, the proportion of those taking at least part of their retirement assets in that form rose from 33% to 57%. One particularly noticeable shift is in the proportion taking their entire retirement assets as a lump sum, which jumped from 6% to 20%.

In addition, those with relatively low levels of retirement assets draw proportionately more as a lump sum than those with medium and high levels. Men tend to withdraw a larger proportion of their retirement assets than women. Adjustments to the conversion rate and changes to make withdrawals simpler also seem to be boosting uptake.

One important motive for selecting a lump sum is tax considerations, with over half of those polled citing this as a reason for their choice. Other reasons include the ability to implement an individual investment strategy, needing liquid funds, for example in order to repay a mortgage, and the conversion rate. The study shows that more and more people are seeking advice about retirement. Those who opted for a lump sum were also particularly likely to have sought outside financial advice.

Investments

Gains on the equity markets

2024 was marked by substantial regional differences. Among the developed markets, the US and Spanish economies recorded the strongest growth, at around 3%, while Germany, Japan and the UK stagnated. The Swiss economy posted solid growth of 1.5%. Among the emerging markets, India and Malaysia stood out, with annualised growth of over 5% in the third quarter of 2024, while China remained below 5% on the back of declining real estate prices. Inflation fell in most countries, except Japan and Italy, where it rose slightly. In China, deflationary tendencies remained.

The restrictive monetary policy ended, with interest rate cuts in Switzerland, Canada, the eurozone and, later in the year, the US, while Japan increased its rates. Yields on 10-year government bonds fell in Switzerland but rose in the US, UK and Germany. Equity markets performed positively, especially in the US and China, while Switzerland and emerging markets such as Brazil and Mexico came off less well. Precious metals had a strong year.

According to the Institute for Economics and Peace (IEP), last year saw the sharpest deterioration in peacefulness worldwide. In all, 100 countries were engaged at least partially in conflict beyond their borders, compared with 59 in 2008. The main drivers were the conflicts in the Middle East and the war in Ukraine. The fall of Bashar al-Assad in Syria in December led to hopes that the situation in the region would calm down. In Europe, political turmoil resulted in new elections in Germany and boosted right-wing populist parties such as the FPÖ in Austria. In France, the minority government collapsed after just a few months, and François Bayrou became the fourth prime minister in the space of a year. In the US, Donald Trump returned to the White House on the back of a surprisingly clear vote. The markets reacted positively to his election, triggering a rise in long-term interest rates and a strengthening of the dollar.

For detailed information on economic developments see the Quarterly Bulletins issued by the Swiss National Bank (www.snb.ch).

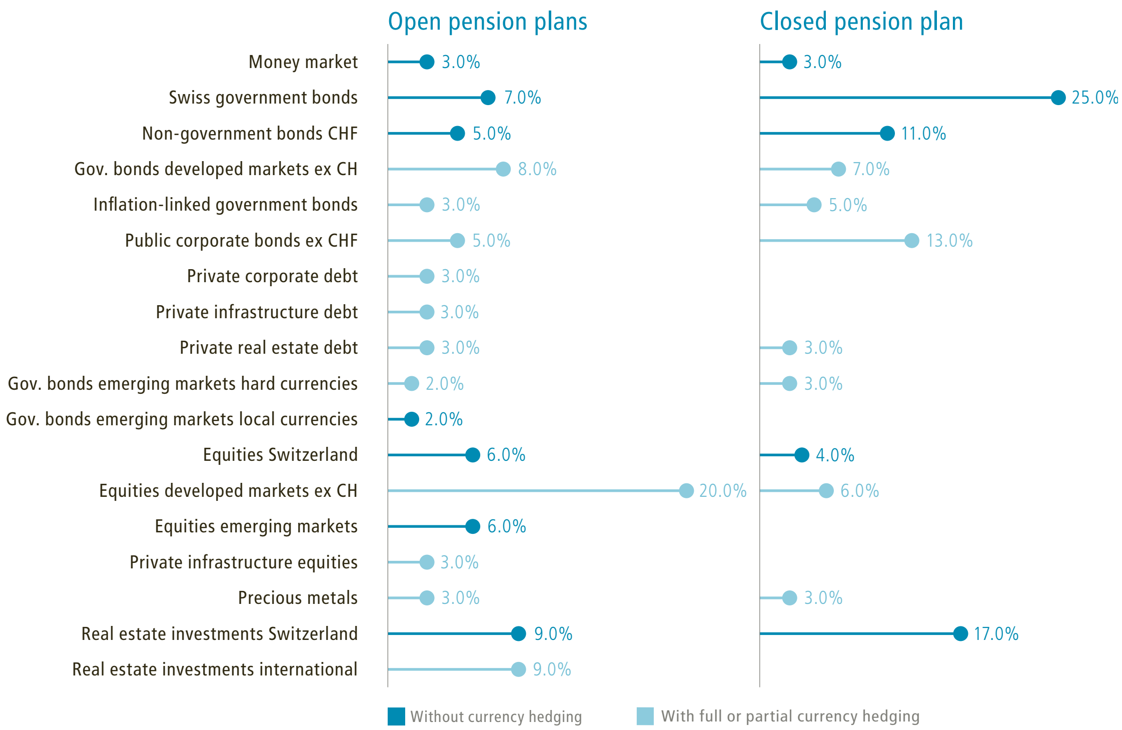
Diversified strategic asset allocations: geared to structure and trend

PUBLICA manages pension assets in the interests of its active members and pension recipients. It diversifies its investments widely in order to capture various risk premiums. The strategic asset allocation dictates how the assets are divided up among the various asset classes, such as equities, government bonds, corporate bonds, precious metals and real estate. PUBLICA reviews it periodically.

The closed pension plan and the open pension plans differ substantially in terms of their structure and the expected development of their liabilities. For this reason, a single strategic asset allocation for all the pension plans would be at odds with Art. 50 OPO 2. Accordingly, in 2010 the Board of Directors approved for the first time the creation of one strategic asset allocation for all the closed pension plans and another for all the open ones. The two current strategic asset allocations are illustrated in the following chart.

Long-term strategic asset allocation by asset class

As at 31.12.2024, in percent

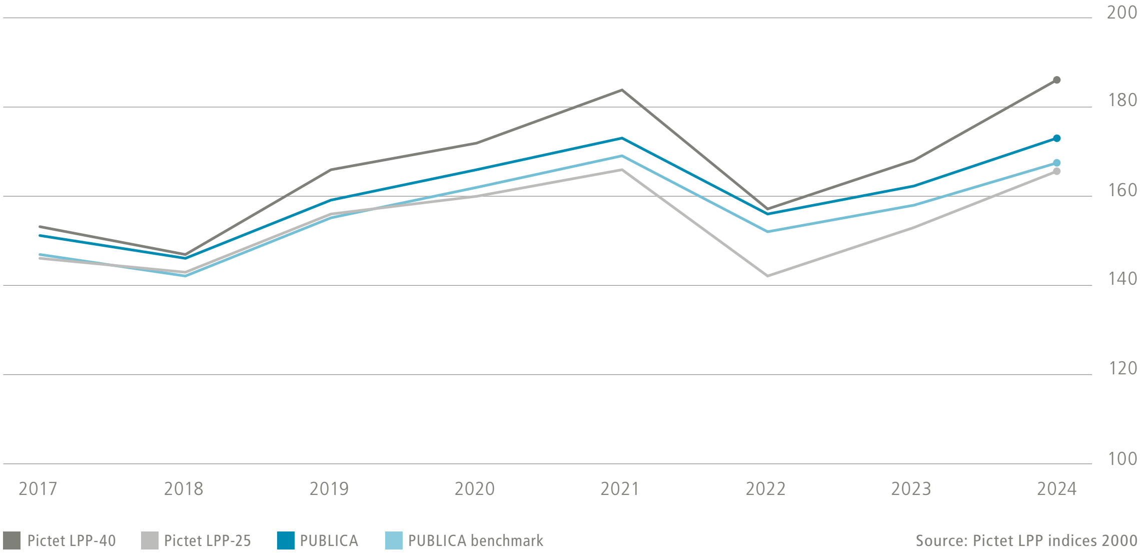


Positive returns in almost all asset classes

On a currency-hedged basis and in terms of consolidated total assets, PUBLICA recorded a net investment return (after all costs and taxes) of 5.9% in 2024. The consolidated net investment return was 40 basis points above the benchmark return. The main reasons for the positive deviation (after factoring in asset management expenses of –30 basis points, as the benchmark does not take account of costs) were tactical and selection decisions, which were pleasingly positive overall. PUBLICA's performance was below average compared with other pension institutions, for strategy reasons.

Cumulative performance

2017–2024, indexed (2005 = 100) in percent



Source: Pictet LPP indices 2000

All asset classes with the exception of foreign real estate and some foreign bonds generated a positive return. The closed pension plan, which has a 10% equity allocation, posted a return of 4.3%, while the open pension plans, with an equity allocation of approximately 34% over the year as a whole, recorded a figure of 6.0%.

The level of the equity allocation had a crucial influence on returns in 2024, as a comparison with the Pictet LPP-25 and LPP-40 indices shows (see chart above): the higher the equity allocation (40% in the case of the LPP-40 index, for example), the higher the return. The Pictet indices ended the year with a performance 2 to 8 percentage points better than that of PUBLICA.

The two main reasons why PUBLICA's return in 2024 deviated negatively from the Pictet indices are:

- For diversification and liquidity reasons, PUBLICA has more of its bond exposure invested in foreign bonds, which performed less well than their Swiss counterparts in 2024.

- Real estate: PUBLICA has a larger proportionate exposure to international real estate, which recorded a negative return. In addition, unlike the Pictet indices, PUBLICA makes real estate investments via unlisted vehicles that performed less well in 2024 than those traded on an exchange.

Equities had the biggest positive impact on PUBLICA's consolidated total assets in 2024. With a net annual return of 14.5%, they contributed 4.7 percentage points to the overall return of 5.9%. However, the differences between the regions and sectors are sharp. The best performers were equities in North America (partially currency hedged), up 24%, followed by Pacific (partially currency-hedged) at a little over 14%, and emerging markets with 13%.

In Switzerland and Europe ex Switzerland (partially currency-hedged), equities returned just under 7% and 10%, respectively. As in 2023, some US tech firms performed especially well.

Precious metals were the second-largest influence on consolidated total assets. For diversification reasons, PUBLICA invests a portion of its assets in precious metals such as gold and silver. Precious metals made a very good contribution to PUBLICA's portfolio in 2024, returning 33%.

With a total annual return of 1%, bonds made a slightly positive contribution of 0.4 percentage points to the overall return: Swiss bonds were the best performers, returning 5%, followed by government bonds emerging markets in local currencies at just over 2% and foreign corporate bonds (currency-hedged) at just under 1%. Government bonds emerging markets in USD (currency-hedged) at just under –6% and government bonds from developed markets (currency-hedged) at a little over –3% were the lowest performers within the fixed-income portfolios. The large regional differences are due to different trends in 10-year government bond yields.

Real estate Switzerland once again generated a positive performance in 2024, with directly held Swiss real estate appreciating slightly and returning just under 5% at the end of the year. Owing to higher interest rates in many developed markets, foreign real estate funds lost ground again, especially at the start of the year. Overall, their return stood at –6.5%. Because of the valuation cycle, we are here looking at the period from Q4 2023 to Q3 2024.

PUBLICA's average annual return over the investment horizon from 2000 to 2024 is 2.9%. This is 20 basis points per year above the 2.7% of PUBLICA's benchmark.

Risk management

Risk policy

PUBLICA regards efficient quality management and an effective internal control system (ICS) as key parts of its corporate policy. For reasons of risk policy, PUBLICA enters into transactions only when it can gauge their risks with a high level of probability. PUBLICA adopts a cautious and conservative approach to risks where compensation is likely to be absent or inadequate. Members of staff who are responsible for the operational accumulation of risk positions are not simultaneously entrusted with monitoring or controlling them.

Investment risk management process

The investment risk management process is an integral part of PUBLICA's investment process. It governs how risks are identified, measured, steered and monitored within asset management. It also creates an acceptance of risk, so that residual risks are known and justifiable. The investment risk management process is based on three levels of risk: strategic, tactical and implementation.

It aims to actively manage risks that could impair PUBLICA's ability to fulfil its mandate over the long term. Strategic risks have the biggest influence on the achievement of PUBLICA's mandate; implementation and tactical risks have a lesser (potential) impact, but one that cannot be disregarded.

Strategic risks

The long-term investment policy is designed to ensure that PUBLICA can pay pensions at all times when they are due. It defines the key parameters for PUBLICA's asset management and is a sub-process in terms of strategic risks. This sub-process involves reviewing the investment beliefs, analysing the long-term trends, defining the permitted asset classes and setting the strategic risk budget. "Long-term" is defined as a horizon of more than ten years, which also corresponds to PUBLICA's liabilities.

A review of the strategic asset allocation is a further sub-process at the strategic risks level. It is conducted within the boundaries set by the long-term investment policy and corresponds to the classic asset and liability management (ALM) process. ALM involves coordinating and controlling the interdependencies between the asset and liability sides of the balance sheet, and the structure and expected trend in membership.

The goal of an ALM study is to determine a strategic asset allocation that falls within the prescribed risk budget and is therefore tailored to the risk capacity and risk tolerance of the pension fund. An important aspect of this sub-process is that PUBLICA reviews the risk capacity as well as the key assumptions, in particular the risk/return assumptions for each asset class, on an annual basis.

To control qualitative risks that could have negative financial consequences for the invested assets over the medium to long term, PUBLICA conducts a strategic risk analysis process which covers ESG (environmental, social and governance) risks and, since 2020, systemic risks. In 2024, PUBLICA analysed a potential escalation of the situation between China and Taiwan in depth and reviewed a range of options for its portfolio. The findings will flow into PUBLICA's next review of its strategic asset allocation. PUBLICA also continued to build its knowledge base on biodiversity. Asset Management reviewed a number of approaches to measuring the financial risks resulting from biodiversity loss. PUBLICA will once again publish a responsible investment report for 2024, which will be available on the website publica.ch. It is designed to create transparency and explain what responsible investment means for PUBLICA, and where progress has been achieved.

Tactical risks

PUBLICA's investment specialists can deviate from the prescribed strategic asset allocation when they have substantiated reasons to believe that they can generate sustainable added value or reduce risk by doing so. The maximum permitted tactical exposures are decided upon by the Board of Directors, along with the strategic asset allocations. In principle, the risks of deviations from the strategic asset allocation should be proportionate to the expected return.

Implementation risks

If the strategic asset allocation is not implemented in accordance with the rules within the individual asset classes, this distorts the use of the strategic risk budget. The aim of the implementation risk process is to prevent this and to ensure that all benefits can be paid out when they are due. It enables significant individual risks to be identified and appropriately reduced at all levels.

Operational risks

Operational risk comprises the risk of losses due to inappropriate operation or failure of internal processes, people or systems or the impact of negative external events. PUBLICA employs internal controls to minimise operational risks in all key areas. Company-wide checks enable PUBLICA to identify potential cyber risks, for instance, and define countermeasures where needed.

Quality and security management, working with the managers responsible, conducts an annual review to establish whether the internal controls are still appropriate to current circumstances and requirements, or whether they need to be adjusted.

Actuarial risk

Actuarial risk comprises the risks resulting from old age, death and disability. It arises when the basis for actuarial calculations, such as the technical interest rate or mortality tables, no longer corresponds to the actual risk events of the active members and pension recipients and the actual development in interest rates.

The capital of pension recipients that is expected to be freed up is compared with the capital of pension recipients that is actually released on death. This provides a measure of the deviation between the actuarial assumptions and the events that actually occurred in the year concerned. Similarly, for active members, the expected costs resulting from death or disability are compared with the cases that actually occurred. The difference between the risk premium and the actual claims corresponds to the annual actuarial gain or loss for each pension plan.

Risk result – active members

The risk result for active members shows an overall gain of CHF 43.4 million (prior year: CHF 33.8 million).

Risk result death and disability – active members, total for all pension plans

2020 to 2024, in CHF mn, number or percent

2024	Units	Risk premiums	Claims	Total gain (+) loss (–)	Number
Disability cases (incl. increases in degree of disability)	CHF mn	83.0	–38.6	44.4	91
Deaths	CHF mn	9.2	–10.2	–1.0	45
Total	**CHF mn**	**92.2**	**–48.8**	**43.4**	**136**
Insured salary	CHF mn	5 990	5 990		
Statutory required risk premium	Percent	1.54%	0.81%		

2023	Units	Risk premiums	Claims	Total gain (+) loss (–)	Number
Disability cases (incl. increases in degree of disability)	CHF mn	80.6	–45.1	35.5	100
Deaths	CHF mn	9.0	–10.6	–1.7	53
Total	**CHF mn**	**89.6**	**–55.7**	**33.8**	**153**
Insured salary	CHF mn	5 813	5 813		
Statutory required risk premium	Percent	1.54%	0.96%		

Historical trend	Units	Risk premiums	Claims
2024	Percent	1.54%	0.81%
2023	Percent	1.54%	0.96%
2022	Percent	1.54%	0.97%
2021	Percent	1.54%	0.65%
2020	Percent	1.54%	0.99%
2019	Percent	1.54%	0.70%

Risk result – pension recipients

The risk result for pension recipients shows an overall loss of around CHF 5.3 million (prior year: CHF 4.4 million). This is made up of gains of CHF 8.3 million (prior year: CHF 18.3 million) for survivors’ pensions and CHF 8.9 million (prior year: CHF 7.3 million) for disability pensions, along with a loss of CHF 22.5 million (prior year: CHF 30.0 million) for retirement pensions.

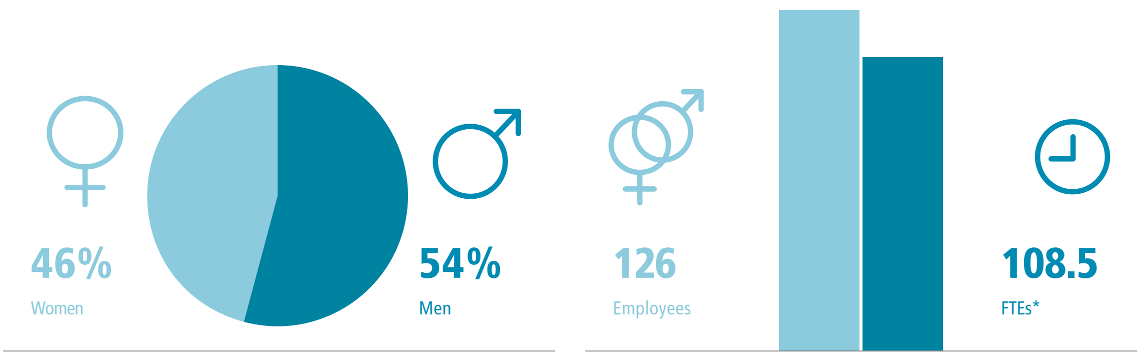
Our staff

Headcount (including apprentices and graduate interns) rose by four year on year, to 126, or 108.5 on a full-time equivalent (FTE) basis, an increase of 3.7% compared with 2023. In total, 23.5% of men work part time (prior year: 20.9%), while the figure for women is 72.4% (prior year: 76.4%).

The proportion of women has risen slightly, by 1.0 percentage points to 46%. The proportion of women in management positions rose by 3.7 percentage points year on year, to 23.7%.

A total of 10 members of staff left PUBLICA in 2024 (prior year: eight). Of those, eight resigned and two retired.

More men than women. Part-time working is widespread.



*Employees working ≥ 90% are regarded as working full time

Equal pay analysis with Logib

Our commitment to fairness and equality is reflected in an equal pay analysis conducted using the Logib tool. The most recent analysis at PUBLICA revealed a salary difference of 2.2% to the detriment of women. This is within the tolerance range of 5% and is therefore not categorised as significant. The existing differences in pay can be explained by objective factors such as age, qualifications and professional position.

We moved ahead with a series of HR management developments and projects during the year:

Dialog Plus objective-setting and assessment system

We have overhauled our objective-setting and assessment system, which is now called Dialog Plus. We have created clear structures, integrated the overarching business objectives and focused more strongly on individual development and team goals. This is the best way to promote the achievement of objectives at PUBLICA and the personal and professional development of our employees.

Systematic digital transformation of HR management

As part of the digital transformation, we have switched our HR processes over to digital workflows. This allows us to increase efficiency and complete administrative tasks more quickly and transparently.

Introduction of self-organised teams

Two teams in Pensions are now self-organised. This empowers employees and makes our organisation more agile and innovative.

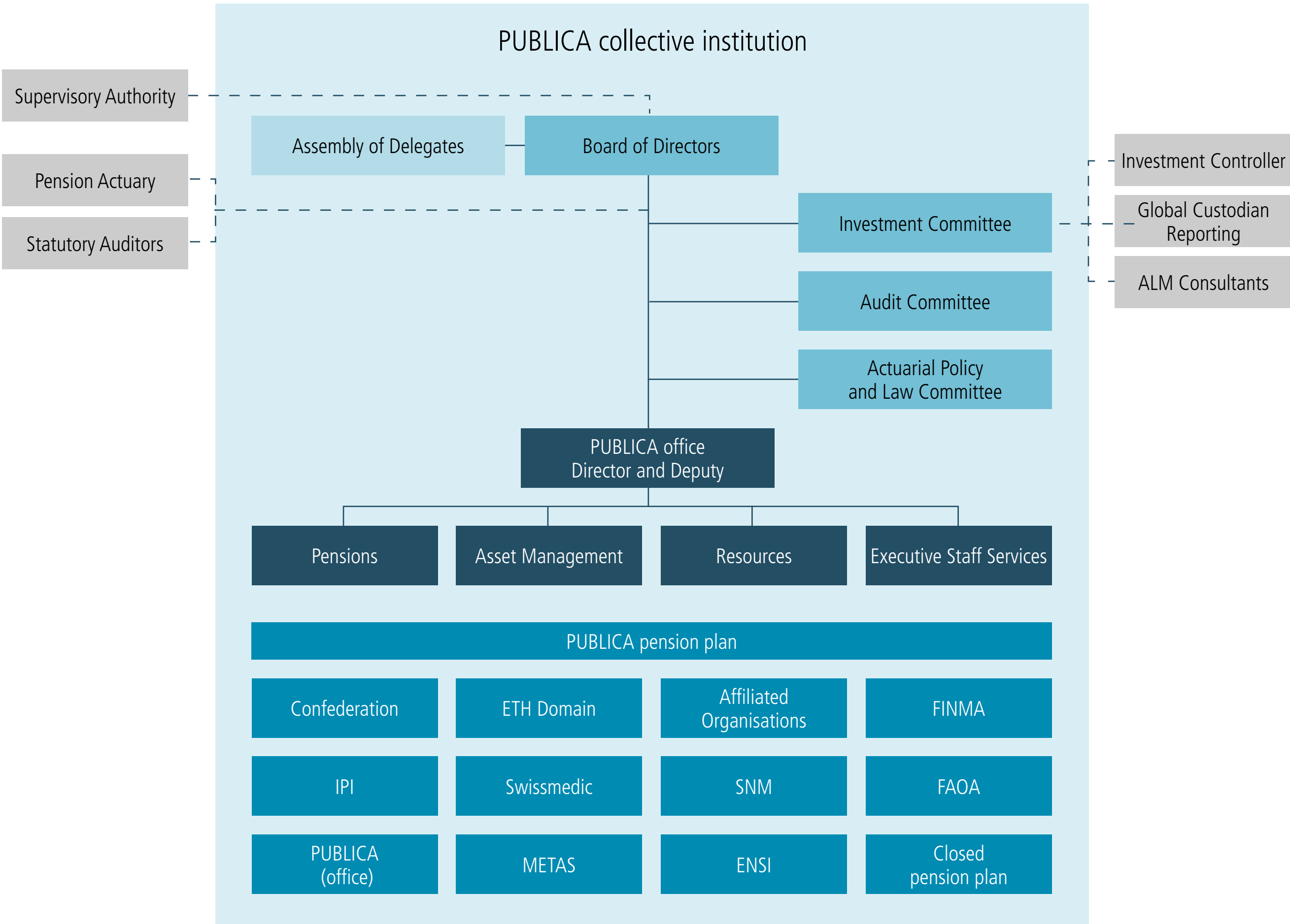
We are proud of our skilled and dedicated members of staff. In 2024, we began work to focus our corporate culture even more systematically on trust, innovation and collaboration and so sharpen our position on the jobs market – ensuring that PUBLICA remains a popular employer.


Weiter- entwicklung
Motiviert
Qualitäts- management
Proaktiv

Corporate governance

The popular training and professional development programme was opened up to further participants in 2024, with members of the Assembly of Delegates and staff of PUBLICA's office now eligible alongside members of the Board of Directors and parity commissions.

Organisational structure



The Board of Directors is PUBLICA's supreme body overseeing and controlling the management of business. It is independent of operations and determines PUBLICA's strategic orientation and management. The Bernische BVG- und Stiftungsaufsicht (BBSA) supervises PUBLICA's activities as an independent body.

Board of Directors

Elections and terms of office

The term of office of the members of PUBLICA’s Board of Directors is four years. They appoint the Director and Deputy and select the collective institution’s Statutory Auditors and Pension Actuary.

The Chair and Vice-Chair of the Board of Directors consist of one employer representative and one employee representative, who swap roles every two years. Acting as Chair in 2024 was Kaspar Müller, a representative of the employers. Nicolas Schmidt, employee representative, was Vice-Chair.

The following standing committees deal in depth with the tasks that fall within their competence: the Investment Committee, the Audit Committee and the Actuarial Policy and Law Committee.

The Board of Directors met six times in the year under review, the Investment Committee eight times. There were seven meetings of the Audit Committee and six of the Actuarial Policy and Law Committee.

The members of the Board and the committees attended various courses on strategic issues related to occupational pensions on a total of 22 days.

Since 2022, members of the Board of Directors have been offered a systematic further training programme. This is based on competence profiles for the members and comprises both in-house and external courses. The programme was continued in 2023 and opened up to members of the parity commissions and staff of PUBLICA’s office, and to members of the Assembly of Delegates in 2024.

The composition of the Board of Directors as at 31 December 2024 is set out on the following pages.


publica

Employee representatives

Albisser Eliane

Occupation	Managing director, PK-Netz
Qualifications	MA in law and sociology
Board member since	01.07.2021
Committee	Actuarial Policy and Law Committee since 01.07.2021

Alvarez Cipriano

Qualifications	Lawyer
Board member since	01.07.2013
Committee	Investment Committee since 01.07.2013
External mandates	Member of the Operating Committee of the Construction and Housing Policy Fund

Cucè Tania

Occupation	Team leader, Federal Tax Administration
Qualifications	Law degree
Board member since	01.10.2023
Committee	Actuarial Policy and Law Committee since 01.10.2023
	Board member, Spitex Muttenz AG
	Head of Spitex Regio Liestal
	Vice-Chair, Social-Democratic Party Baselland
	Joint Chair, VPOD Region Basel

Egger Adrian

Occupation	Head of Finance, HR and Administration, Mission of Switzerland to the international organisations
Qualifications	Federally certified banking specialist MBA Liverpool
Board member since	01.01.2024
Committee	Audit Committee since 01.01.2024

Lagger Valentin

Occupation	Head of Training, Unemployment Insurance Office
Qualifications	Masters in political science
Board member since	01.07.2021
Committee	Investment Committee since 01.01.2024

Maurer Stalder Petra | Chair of the Audit Committee

Occupation	Party secretary, Social-Democratic Party, Canton Bern (maternity cover)
Qualifications	Diploma in Business Administration MAS in Corporate Communication Management
Board member since	01.07.2009
Committee	Audit Committee since 01.07.2021
External mandates	Vice-Chair, SPITEX services, Lake Thun area SPITEX Oberland OL1 steering committee

Schmidt Nicolas | Vice-Chair of the Board of Directors

Occupation	Specialist in sustainable consumption and products, FOEN
Qualifications	Master of Social Science Master of Public Administration
Board member since	01.07.2021
External mandates	Member of the Executive Board of the Federal Staff Association (PVB)

Wey Natascha

Occupation	General Secretary, VPOD
Qualifications	Masters degree, historian
Board member since	01.07.2021
Committee	Audit Committee since 01.07.2021
External mandates	Member of the Board of Trustees, Substitute Occupational Benefit Institution Member of the central parity commission of the cleaning sector in German-speaking Switzerland Member of the Board of Trustees, VPOD Pension Fund Substitute member of the Federal Commission on the Working Hours Act

Employer representatives

Badrutt Gian Andrea

Occupation	Deputy Director of the Directorate for Resources, FDFA
Qualifications	Attorney-at-law
Board member since	01.07.2021
Committee	Actuarial Policy and Law Committee since 01.07.2021

Haas Meik

Occupation	Head of Finance and Services and member of the Executive Board, réservesuisse cooperative
Qualifications	Degree in business administration, major in finance and law
Board member since	01.07.2023
Committee	Audit Committee since 01.07.2023

Künzli Dieter

Qualifications	Doctorate in science
Board member since	01.07.2017
Committee	Audit Committee since 01.07.2021
External mandates	Chair of the Board, Zentrum Passwang Mayor of Breitenbach, Solothurn Member of the Board of Directors, VEBO Genossenschaft

Müller Kaspar | Chair of the Board of Directors

Occupation	Deputy General Secretary, DETEC
Qualifications	Degree in business administration
Board member since	01.03.2016

Parnisari Bruno

Occupation	Deputy Director, FSIO
Qualifications	Doctorate in economics
Board member since	01.07.2017
Committee	Investment Committee since 01.07.2017
External mandates	AHV/IV/EO Compensation Fund Compenswiss: representative of the FSIO on the Board of Directors

Schwendener Peter

Occupation	Deputy Director, FFA
Qualifications	Doctorate in political science
Board member since	01.07.2021
Committee	Audit Committee since 01.07.2021
External mandates	Member of the Board of Directors, BLS Netz AG Board member, Verein Surprise

von Kaenel Rahel | Chair of the Actuarial Policy and Law Committee

Occupation	Director of the Federal Staff Office EPA
Qualifications	Doctorate in history
Board member since	01.07.2021
Committee	Actuarial Policy and Law Committee since 01.07.2021
External mandates	Board member, Association Pro Aventico Member of the Advisory Board, University of Bern, Executive MPA, member of the Suva Council

Weber Matthias | Chair of the Investment Committee

Occupation	Owner, alpha-optimum GmbH, Hedingen
Qualifications	Masters in economics, St. Gallen, EMBA International Wealth Management
Board member since	01.07.2018
Committee	Investment Committee since 01.07.2018

Investment Committee

The remit of the Investment Committee includes submitting the strategic asset allocations to the Board of Directors, ensuring monitoring of the activities of the external asset managers and internal portfolio managers, approving direct real estate transactions in Switzerland (purchases, sales, projects) with an investment value of over CHF 30 million and land purchases without a project ready for approval valued at over CHF 10 million. Below these limits, the Asset Management Real Estate Committee approves these investments. The Committee's members include the Director of PUBLICA, the Head of Asset Management and the Head of Real Estate.

In accordance with the Investment Guidelines, the Investment Committee consists of the Chair as well as a minimum of three and a maximum of five members appointed by the Board of Directors from its own members. The Board of Directors may also appoint a maximum of three external investment experts. The Federal Finance Administration may propose candidates to the Board of Directors. The Director and the Head of Asset Management of PUBLICA are consultative members of the committee. Matthias Weber has chaired the Investment Committee since 1 July 2018.

In addition to Cipriano Alvarez, Valentin Lagger and Bruno Parnisari, the external members of the Investment Committee are as follows:

Eggenberger Urs

Occupation	Vice-Director and Joint Head of the Federal Treasury Department, Federal Finance Administration
Qualifications	Degree in business administration, CFA
Committee member since	19.11.2007
External mandates	Decommissioning and Waste Disposal Fund for Nuclear Power Plants: member of the Administrative Committee and Investment Committee AHV/IV/EO Compensation Fund Compenswiss: representative of the FFA on the Board of Directors and Investment Committee

Loepfe Andreas

Occupation	Partner and General Manager, INREIM AG
Qualifications	Degree in business administration, FRICS
Committee member since	01.07.2015
External mandates	INREIM AG: Delegate of the Board of Directors IMMRA AG: member of the Board of Directors HappyOwner AG: Chair of the Board of Directors SOFISA SA: member of the Board of Directors SwissIncome AG: member of the Board of Directors

Actuarial Policy and Law Committee

The Actuarial Policy and Law Committee deals with issues concerning the actuarial policy in general and its implementation, the implementation of the employers' actuarial policy and the submission of suggestions to the employers with regard to the structuring of actuarial policy options. The Committee has been chaired by Rahel von Kaenel since 1 July 2021. Its members are Eliane Albisser, Gian Andrea Badrutt and Tania Cucè. The operational management of PUBLICA attends in a consultative capacity.

Audit Committee

The Audit Committee is principally concerned with financial and accounting matters. It discusses the annual financial statements and the reports of the Statutory Auditors and Pension Actuary. Petra Maurer has chaired the Audit Committee since 1 July 2021. Its members are Adrian Egger, Dieter Künzli, Meik Haas, Peter Schwendener and Natascha Wey.

Information and control instruments

The key instruments for controlling the activities of PUBLICA are the regulations and contracts of affiliation, which are approved by the Board of Directors. The most important information and control instruments employed by the Executive Board on behalf of the Board of Directors and its committees are:

Quality management

PUBLICA has a well-developed quality management system designed to ensure delivery of high-quality operational services to PUBLICA's stakeholders over the long term. Internal processes are also continually reviewed and optimised.

Internal control system

PUBLICA's internal control system (ICS) is process-based and embedded in the certified processes. PUBLICA reviews the internal controls annually and draws up a risk management report which is submitted to the Executive Board and Board of Directors.

Compliance

At least once a year, the Executive Board reports to the Board of Directors on the lawful and proper conduct of PUBLICA's business and on the conduct of external companies that work for PUBLICA.

Finance and management information system

The members of the Board of Directors and the parity commissions have access to monthly figures on changes in the funded ratios (OPO 2 funded ratio, economic funded ratio, etc.) for all pension plans. They also receive an annual report on the pension plans as well as the reports of the external Investment Controller. The Board of Directors approves the Annual Report.

Assembly of Delegates

The Assembly of Delegates (AD) is made up of 80 employees from the employers affiliated to PUBLICA. The AD elects eight individuals to represent the employees on the Board of Directors during each four-year term of office. It met once in 2024. A workshop on the subject of "annuity or lump sum" was organised in March 2024, at which participants contributed their ideas on the topic.

The delegates have the right to submit proposals to the Board of Directors. The Assembly of Delegates is newly elected every four years. Elections for the entire Assembly were held in November 2024. The names of all the delegates and the constituency they represent are published on publica.ch.

As at 31 December 2024, the Chair and Vice-Chair of the PUBLICA Assembly of Delegates are as follows:

Wüthrich Marcel

Function	Chair
Occupation	Actuary in risk management at the Occupational Pension Supervisory Commission OPSC

Morard-Niklaus Jacqueline

Function	Vice-Chair Left the Assembly on 31.12.2024
Occupation	Chair of the EPFL section of the Federal Staff Association

Director, Deputy and Executive Board

The Director and Deputy are responsible for the operational strategy and management of PUBLICA. They strive to ensure that the strategic objectives are met and that PUBLICA is successful. Their activities are based on the Corporate and Organisational Regulations of the Federal Pension Fund PUBLICA. The current Director is Doris Bianchi, and her Deputy is Stefan Beiner (Head of Asset Management). As at 31 December 2024, the Executive Board comprises the following members:

Bianchi Doris

Function	Director
Qualifications	Doctorate in law
External mandates	Member of the Suva Council

Beiner Stefan

Function	Head of Asset Management Deputy to the Director
Qualifications	Doctorate in economics, University of St. Gallen
External mandates	schoeni.ch holding ag: member of the Board of Directors SIX Regulatory Board: member President, Swiss Society for Financial Market Research

The six members of the Executive Board act as heads of our Pensions, Asset Management and Resources departments, as well as the Executive Staff Services department, to which Corporate Communications and IT belong.

Bonadei Patrick

Function	Head of Pensions
Qualifications	M.Sc. in Statistics, certified pension insurance expert

Zaugg Markus

Function	Head of Resources
Qualifications	Degree in business administration, EMBA HRM

As at 31 December 2024, the Extended Executive Board comprises the following additional members:

Styczynski Maciej

Function	Head of IT
Qualifications	Graduate IT engineer, MAS in Information Technology, EMBA in General Management
External mandates	Owner, LiveMEDIA M. STYCZYNSKI

Rychen Beatrice

Function	Head of Corporate Communications
Qualifications	Degree in business administration, MAS in Corporate Communication Management
External mandates	Member of the board of trustees, Winterhilfe Kanton Bern

Compensation

Compensation policy

The Chair of the Board of Directors receives flat-rate compensation of CHF 36,000 and the Vice-Chair CHF 24,000. The Chair of the Investment Committee receives flat-rate annual compensation of CHF 50,000. The other members of the Board of Directors and the external members of the Investment Committee receive flat-rate compensation of CHF 4,000 as well as an attendance fee. The fee for each half-day meeting is CHF 500, and CHF 1,000 each for the Chair of the Audit Committee and the Chair of the Actuarial Policy and Law Committee.

Compensation-setting process

The Audit Committee reviews, by no later than the middle of each term of office, whether the compensation paid to the members of the Board of Directors, and especially the Chair and Vice-Chair, is appropriate.

The Chair and Vice-Chair of the Board of Directors set the salary of the Director. The Director and Deputy are responsible for the salaries of employees of PUBLICA.

Level of compensation paid to the Board of Directors

The total compensation plus flat-rate travel expenses paid by PUBLICA either directly or indirectly to the members of the Board of Directors and its committees was CHF 294,674 (prior year: CHF 274,918).

Compensation of members of the Board of Directors and committees

2024 with prior-year comparison, in CHF, excluding departures

		31.12.2023	31.12.2024
Albisser Eliane		11 000	10 000
Alvarez Cipriano		14 000	16 500
Badrutt Gian Andrea		11 000	11 000
Cucè Tania		2 000	16 000
Eggenberger Urs		6 500	7 500
Egger Adrian*		0	11 000
Haas Meik		5 000	11 500
Künzli Dieter		11 000	12 500
Lagger Valentin		12 500	13 000
Loepfe Andreas		8 490	8 500
Maurer Stalder Petra	Chair of the Audit Committee	15 000	16 500
Müller Kaspar	Chair of the Board of Directors	30 000	36 000
Parnisari Bruno		9 500	8 500
Schmidt Nicolas		13 000	24 000
Schwendener Peter		11 000	12 000
von Kaenel Rahel	Chair of the Actuarial Policy and Law Committee	13 500	13 000
Weber Matthias	Chair of the Investment Committee	50 000	55 000
Wey Natascha		9 500	11 500

* Joined during year under review

Level of compensation paid to the Executive Board

The average compensation (gross salary including all allowances and employer's pension contributions) paid to members of the Executive Board (including the Director and Deputy) was CHF 274,861 (prior year: CHF 271,779). The total compensation paid to the Executive Board was CHF 1,099,443 (prior year: CHF 1,087,118). The Director's compensation was CHF 335,761 (prior year: CHF 326,812). This sum includes employer's pension contributions of CHF 47,405 (prior year: CHF 46,037).

PUBLICA does not pay bonuses.

Statutory Auditors

The Statutory Auditors PwC AG are licensed as a state-supervised audit firm by the Swiss Federal Audit Oversight Authority FAOA. Felix Steiger is the lead auditor. The total audit fee for 2024 was CHF 271,418 (prior year: CHF 218,254). PwC received additional fees totalling CHF 19,275 (prior year: CHF 16,694) for tax consultancy services. The Statutory Auditors reported to the supreme governing body on the planning and results of their audits. In the interests of good corporate governance, PUBLICA invites tenders for the audit mandate at least every seven years.

Pension Actuary

The Pension Actuary since 1 January 2016 is Allvisa AG, with Christoph Plüss as lead actuary. Allvisa AG is licensed as a pension actuary by the Federal Occupational Pension Supervisory Commission (OPSC). The total fee paid to Allvisa AG in 2024 was CHF 211,350 (prior year: CHF 191,814). The Pension Actuary attended a number of meetings of the Board of Directors and its committees. In the interests of good corporate governance, PUBLICA puts the Pension Actuary mandate out to tender after a maximum of nine years.

Annual financial statements

The annual financial statements (balance sheet, income statement, notes) comply with the formal and material requirements of Swiss GAAP ARR 26.

Balance sheet

The balance sheet, income statement and notes deal with the collective institution and all the affiliated pension plans, PUBLICA's internal Reinsurance and PUBLICA Operations. The figures are therefore aggregated. The relevant figures for the individual active members and pension recipients are those of their respective pension plans. PUBLICA maintains separate accounts for each pension plan. Each plan reports its own funded ratio, which is not influenced by the other plans.

The amounts reported in the balance sheet, income statement and notes are rounded to the nearest franc. For this reason, total amounts may in some cases deviate slightly from the sum of the individual values.

Balance sheet – collective institution

2024 with prior-year comparison, in CHF

Assets	Note	31.12.2023	31.12.2024
Cash & cash equivalents		101 360 343	100 105 289
Receivables		140 730 730	144 956 097
Money market		1 304 410 543	894 471 465
Swiss government bonds		3 001 707 857	3 083 012 443
Non-government bonds CHF		3 051 038 067	2 978 292 582
Government bonds developed markets ex Switzerland		3 201 374 239	3 215 185 456
Inflation-linked government bonds		1 352 611 171	1 283 110 199
Public corporate bonds ex CHF		2 821 762 462	2 380 387 950
Private corporate debt		1 215 147 234	1 215 069 508
Private infrastructure debt		1 247 186 928	1 259 822 707
Private real estate debt		1 090 664 500	1 226 738 348
Government bonds emerging markets hard currencies		906 933 743	805 131 822
Government bonds emerging markets local currencies		775 472 480	793 973 645
Equities Switzerland		2 426 460 521	2 498 056 984
Equities developed markets ex CH		7 459 192 212	8 403 044 954
Equities emerging markets		2 833 087 935	3 203 993 840
Private infrastructure equities		98 634 623	302 293 306
Precious metals		1 144 923 565	1 322 827 323
Real estate investments Switzerland		3 520 566 234	3 721 850 234
Real estate investments international		2 830 198 232	3 675 561 832
Investments	6.4	**40 523 463 619**	**42 507 885 983**
Operating assets	7.1	**16 655 197**	**17 105 644**
Prepaid expenses and accrued income		**92 014**	**14 186**
Total assets		**40 540 210 830**	**42 525 005 813**

Liabilities	Note	31.12.2023	31.12.2024
Vested benefits and pensions		99 387 846	117 351 935
Other liabilities		9 631 633	13 096 661
Operating liabilities	7.1	2 160 594	2 534 858
Liabilities		**111 180 074**	**132 983 454**
Accrued expenses and deferred income		**4 047 468**	**4 244 757**
Employers’ contribution reserve (excluding waiver of use)	**6.11**	**46 738 808**	**64 151 230**
Non-technical provisions	**7.3**	**179 347 262**	**166 965 552**
Pension fund capital – active members	5.2	19 608 106 060	20 220 603 586
Pension fund capital – pension recipients	5.4	19 936 339 949	19 302 608 940
Technical provisions	5.5	1 343 655 159	777 696 586
Pension fund capital and technical provisions		**40 888 101 169**	**40 300 909 113**
Fluctuation reserve	**6.3**	**100 227 812**	**1 831 744 091**
Uncommitted funds / underfunding of pension plans	1.6	–810 987 557	0
Uncommitted funds / underfunding Reinsurance	5.1	7 061 192	9 436 831
Working capital – PUBLICA Operations	7.1	14 494 603	14 570 786
Uncommitted funds / underfunding / working capital		**–789 431 763**	**24 007 617**
Total liabilities		**40 540 210 830**	**42 525 005 813**

Income statement

Income statement – collective institution

2024 with prior-year comparison, in CHF

	Note	2023	2024
Savings contributions – employees	5.2	577 968 548	597 502 383
Risk premiums – employees		8 925 281	9 121 362
Cost premiums – employees		226 400	218 700
Employee contributions		587 120 230	606 842 445
Savings contributions – employers	5.2	923 247 081	950 253 592
Risk premiums – employers		80 594 446	83 122 689
Cost premiums – employers		11 091 247	10 176 914
Employer contributions		1 014 932 774	1 043 553 195
Removal from employers' contribution reserve to finance contributions		–1 237 087	–771 093
Contributions from third parties		2 037 648	0
Lump-sum payments and buy-ins – active members	5.2	133 546 896	141 426 144
Buy-outs of pension reductions and pension buy-ins	5.4	37 891 014	22 126 655
Lump-sum payments and buy-ins		171 437 910	163 552 799
Payments to employers' contribution reserve		2 145 000	14 877 300
Contributions to the LOB Guarantee Fund		27 757	42 657
Ordinary and other contributions and payments		**1 776 464 231**	**1 828 097 302**
Vested benefits received		517 290 866	517 551 284
Home ownership and divorce payments received		22 063 864	27 279 932
Payments on takeover of member portfolios	1.6	0	959 781
Entrance benefits	**5.2**	**539 354 731**	**545 790 997**
Inflow from contributions and entrance benefits		**2 315 818 962**	**2 373 888 299**
Retirement pensions		–1 235 046 771	–1 232 181 952
Survivors' pensions		–301 260 339	–298 833 163
Disability pensions		–27 931 405	–27 181 695
Other statutory benefits		–30 037 252	–26 962 116
Lump-sum benefits upon retirement		–435 720 885	–493 155 975
Lump-sum benefits in case of death/disability		–18 171 329	–14 030 445
Divorce pensions		–3 702 505	–4 281 441
Statutory benefits	**5.4**	**–2 051 870 486**	**–2 096 626 788**
Vested benefits paid on departure		–532 863 321	–532 313 981
Early withdrawals for home ownership / divorce		–84 457 055	–79 974 568
Vested termination benefits	**5.2**	**–617 320 375**	**–612 288 550**
Outflow for benefits and early withdrawals		**–2 669 190 861**	**–2 708 915 337**
Formation (–) / release (+) of pension fund capital – active members	5.2	–180 059 140	–266 679 502
Formation (–) / release (+) of pension fund capital – pension recipients	5.4	153 546 417	633 731 009
Formation (–) / release (+) of technical provisions	5.5	–40 706 247	565 958 573
Interest on savings capital	5.2	–185 238 849	–345 818 023
Formation (–) / release (+) of employers' contribution reserve	6.11	–1 585 609	–17 412 422
Formation (–) / release (+) of pension fund capital, technical provisions and contribution reserves		**–254 043 428**	**569 779 634**
Shares in surpluses for pension plans from internal Reinsurance	5.1	2 834 274	4 980 181
Shares in surpluses for pension plans from PUBLICA Operations		520 757	159 134
Pension plans		**3 355 031**	**5 139 315**
Risk premium received – internal Reinsurance, gross	5.1	4 596 430	4 992 816
Cost premium received – PUBLICA internal Operations, gross		11 317 647	10 395 614
PUBLICA Operations and PUBLICA Reinsurance		**15 914 077**	**15 388 430**
Income from insurance benefits		**19 269 108**	**20 527 745**
Risk premiums paid by pension plans for internal Reinsurance	5.1	–4 596 430	–4 992 816
Cost premiums paid by pension plans for PUBLICA Operations		–11 317 647	–10 395 614
Corrective invoicing to pension plans from PUBLICA Operations		–5 301 828	–5 097 627
Contributions to Guarantee Fund		–4 073 569	–4 286 944
Pension plans		**–25 289 474**	**–24 773 001**
Repayment of shares in surplus from PUBLICA Reinsurance	5.1	–2 834 274	**–4 980 181**
Result from shares of surplus and corrective invoicing from PUBLICA Operations		4 781 071	**4 938 493**
PUBLICA Operations and PUBLICA Reinsurance		**1 946 797**	**–41 688**
Insurance expenses		**–23 342 677**	**–24 814 689**
Net insurance income		**–611 488 897**	**230 465 652**

Income statement – collective institution

2024 with prior-year comparison, in CHF

	Note	2023	2024
Net income from cash & cash equivalents	6.8	567 918	876 662
Net income from receivables	6.8	0	0
Net income from liabilities	6.8	–959 267	–1 324 719
Net income from money market	6.8	18 741 421	13 511 751
Net income from Swiss government bonds	6.8	199 393 186	123 905 083
Net income from non-government bonds CHF	6.8	200 859 154	173 259 551
Net income from government bonds developed markets ex Switzerland	6.8	67 475 731	–107 932 821
Net income from inflation-linked government bonds	6.8	6 237 516	–39 021 458
Net income from public corporate bonds ex CHF	6.8	127 234 933	18 320 263
Net income from private corporate debt	6.8	46 156 790	–7 040 963
Net income from private infrastructure debt	6.8	67 699 241	14 486 682
Net income from private real estate debt	6.8	30 944 287	14 905 381
Net income from government bonds emerging markets hard currencies	6.8	20 253 656	–48 499 014
Net income from government bonds emerging markets local currencies	6.8	52 490 691	24 523 421
Net income from equities Switzerland	6.8	116 738 961	162 996 312
Net income from equities developed markets ex Switzerland	6.8	770 234 365	1 309 762 875
Net income from equities emerging markets	6.8	76 155 950	385 660 680
Net income from private infrastructure equities	6.8	–7 273 697	27 988 305
Net income from precious metals	6.8	55 458 309	363 315 524
Net income from real estate investments Switzerland	6.8	65 136 508	169 949 576
Net income from real estate investments international	6.8	–327 630 895	–155 999 084
Asset management expenses	6.10	–110 428 156	–113 907 418
Net investment income	**6.8**	**1 475 486 601**	**2 329 736 587**
Formation (–) / release (+) of non-technical provisions	**7.3**	**12 943 127**	**12 381 711**
Other income		**222 988**	**293 764**
Other expenses		**–907 388**	**–12 434 955**
General administration	7.2	–15 598 655	–14 885 577
Marketing and advertising	7.2	0	0
Brokerage	7.2	0	0
Statutory Auditors	7.2	–218 254	–271 418
Pension Actuary	7.2	–203 015	–216 971
Supervisory authority	7.2	–126 134	–113 134
Administrative expenses	**7.2**	**–16 146 058**	**–15 487 099**
Expenditure surplus (–) / income surplus (+) before formation/release of fluctuation reserve		**860 110 374**	**2 544 955 658**
Formation (–) / release (+) of fluctuation reserve	**6.3**	**–74 766 171**	**–1 731 516 279**
Expenditure surplus (–) / income surplus (+)		**785 344 204**	**813 439 379**
Expenditure surplus (–) / income surplus (+) – pension plans		783 182 543	810 987 557
Expenditure surplus (–) / income surplus (+) – Reinsurance	5.1	2 012 994	2 375 639
Expenditure surplus (–) / income surplus (+) working capital – PUBLICA Operations and Reinsurance	5.1/7.2	148 667	76 183
Expenditure surplus (–) / income surplus (+)		**785 344 204**	**813 439 379**

Notes

1 Fundamentals and organisation

1.1 Legal form and purpose

PUBLICA is an institution of the Swiss Confederation established under public law. Its head office is in Bern, and it is entered in the commercial register.

As a collective institution, PUBLICA insures the employees of the centralised and decentralised Federal Administration and of affiliated organisations. Employers of the centralised and decentralised Federal Administration affiliate to PUBLICA on the basis set out in the relevant specific legislation. Affiliation to PUBLICA is also open to employers that are closely associated with the Confederation or fulfil a public task on behalf of the Confederation, a canton or a commune (Art. 4 para. 2 of the Federal Act of 20 December 2006 on the Federal Pension Fund [PUBLICA Act, SR 172.222.1]).

PUBLICA provides its members with occupational pension insurance in accordance with, and in excess of, the requirements set out in the Federal Act of 25 June 1982 on Occupational Old Age, Survivors' and Invalidity Pension Provision (OPA, SR 831.40).

1.2 OPA registration and Guarantee Fund

Pursuant to the provisions of the OPA, PUBLICA is entered in the register of occupational pension schemes and is subject to supervision by the regulatory authority for occupational pension schemes of the Canton of Bern (Bernische BVG- und Stiftungsaufsicht (BBSA)), with reference number BE.0835.

PUBLICA is subject to the Federal Act of 17 December 1993 on the Vesting of Occupational Old Age, Survivors' and Invalidity Benefits (Vested Benefits Act, VBA, SR 831.42), and is thus affiliated with the Guarantee Fund as per Art. 57 OPA, to which it contributes in accordance with the provisions of the Ordinance of 22 June 1998 on the OPA Guarantee Fund (GFO, SR 831.432.1).

1.3 Legal basis

- PUBLICA Act of 20 December 2006 (status as at 1 January 2023)
- Contracts of affiliation of the employers affiliated to PUBLICA, consisting of the following components:
  - Pension plan regulations or framework pension plan regulations with the pension plan type
  - Service Level Agreement on Services
  - Partial Liquidation Regulations
- Framework Plan Regulations of the Federal Pension Fund PUBLICA for the Affiliated Organisations pension plan of 26 March 2015 (status as at 1 January 2024)
- Corporate and Organisational Regulations of the Federal Pension Fund PUBLICA of 25 August 2015 (status as at 25 April 2024)
- Investment Guidelines of the Federal Pension Fund PUBLICA (PUBLICA Investment Guidelines) of 15 April 2010 (status as at 1 January 2024)
- Regulations governing the Provisions and Reserves of the Federal Pension Fund PUBLICA, the Pension Plans and PUBLICA Reinsurance of 22 November 2016 (status as at 31 December 2024)
- Compliance Regulations of 23 August 2012 (status as at 10 April 2014)
- Regulations governing the Risk Policy and Internal Control System of 11 April 2013 (status as at 17 October 2024)

- PUBLICA policy document on hardship cases of 25 November 2010 (status as at 1 January 2024)
- Regulations governing the Handling of Personal Data at the Federal Pension Fund PUBLICA of 25 April 2024
- Cost Regulations for the Active Members and Pension Recipients of the Federal Pension Fund PUBLICA of 21 February 2008 (status as at 1 January 2022)
- Regulations governing the Remuneration of Members of the Board of Directors of the Federal Pension Fund PUBLICA of 26 November 2009 (status as at 3 May 2022)
- Regulations governing the Audit Committee of PUBLICA of 13 October 2011 (status as at 26 August 2021)
- Regulations governing the Actuarial Policy and Law Committee of PUBLICA of 22 November 2012 (status as at 26 August 2021)
- Regulations governing the Election of the Assembly of Delegates of the Federal Pension Fund PUBLICA of 17 November 2015 (status as at 28 November 2017)
- Business Regulations of the PUBLICA Assembly of Delegates of 12 March 2009
- Regulations of the PUBLICA Assembly of Delegates regarding the Election of Employee Representatives to the PUBLICA Board of Directors of 24 January 2017 (status as at 29 May 2024)
- Regulations of the Delegates of Constituency I of the PUBLICA Assembly of Delegates regarding the Election of Employee Representatives to the Parity Commission of the Confederation Pension Plan of 24 August 2016
- Business Regulations of the Parity Commission of the PUBLICA Pension Plan of 22 October 2009 (status as at 21 November 2013)
- Regulations of the Board of Directors of PUBLICA governing the Staff of the Federal Pension Fund PUBLICA dated 6 November 2009 (status as at 1 October 2016)

1.4 Supreme governing body, management and signing powers

The Board of Directors comprises 16 members (eight representing the employees and eight representing the employers) and forms the strategic management body of PUBLICA. As the supreme governing body, it supervises and oversees PUBLICA's operations. The Director, Deputy and the Executive Board are responsible for the ongoing business of PUBLICA subject to the provisions of the law and the requirements laid down by the Board of Directors. The names of the members of the Board of Directors, the Director and Deputy, and the (Extended) Executive Board are listed in the Annual Report.

The Chair and Vice-Chair of the Board of Directors as well as the Director and Deputy, the Extended Executive Board and the Head of Real Estate are entered in the commercial register as joint signatories, with two signatures being required.

1.5 Pension Actuary, Statutory Auditors, supervisory authority, consultants

Pension Actuary	Contract partner: Allvisa AG Thurgauerstrasse 54 8050 Zurich Lead actuary: Christoph Plüss	allvisa.ch
Statutory Auditors	PwC AG Bahnhofplatz 10, P.O. Box 3001 Bern	pwc.ch
Supervisory Authority	Bernische BVG- und Stiftungsaufsicht (BBSA) Belpstrasse 48, P.O. Box 3000 Bern 14	aufsichtbern.ch
Property Valuer	Jones Lang LaSalle AG Prime Tower, Hardstrasse 201 8005 Zurich	jll.ch
Investment Controller	PPCmetrics AG Badenerstrasse 6, P.O. Box 8021 Zurich	ppcmetrics.ch
ALM Consultant	ORTEC Finance (Switzerland) AG Poststrasse 4 8808 Pfäffikon	ortecfinance.com
	c-alm AG Vadianstrasse 25a 9000 St. Gallen	c-alm.ch

1.6 Affiliated employers

As at 31 December 2024, the PUBLICA collective institution included 12 mutually independent pension plans (prior year: 18). The seven pension plans with closed membership consisting entirely of pension recipients were merged into a new, closed pension plan with effect from 1 January 2024. For more information on this, see section 9.2. All the pension plans have their own accounts and are managed by their own parity commissions.

PUBLICA is not actively seeking new affiliations, and is therefore not in competition with other pension institutions. Financial stability is the prime concern, and that is also reflected in the strategic priority to simplify PUBLICA's structures, which has been in force since the start of 2023. This means that the only new employers accepted are those which have been spun off from employers that are already affiliated and can be insured in the joint Affiliated Organisations pension plan. Setting up new pension plans would be at odds with the strategic priority and is therefore something PUBLICA no longer pursues. This means that there is no conflict of interest between growth and financial stability pursuant to OPSC Directive 01/2021 on transparency and internal control requirements for pension institutions in competition.

New affiliations

alpinfra Hilfe für Berggemeinden was newly affiliated to the joint Affiliated Organisations pension plan.

The media and communications trade union syndicom also joined the Affiliated Organisations pension plan. Following the takeover by syndicom of the media trade union comedia, the staff and disability pension recipients of comedia, who had been insured with the pension fund Profond until 31 December 2023, were integrated into the Affiliated Organisations pension plan with effect from 1 January 2024.

Terminations of affiliation agreements

There were no terminations in 2024.

1.6.1 Open pension plans

Open pension plans

2024 with prior-year comparison in CHF, no. or percent

Pension plans with one employer		Units	31.12.2023	31.12.2024
ETH Domain	Active members	Number	21 679	21 632
	Pension recipients	Number	6 147	6 202
	Total active members and pension recipients	**Number**	**27 826**	**27 834**
	Available assets	CHF	7 702 360 579	8 158 515 489
	Pension fund capital & technical provisions	CHF	7 758 467 897	7 758 181 732
	Funded ratio as per OPO 2	**Percent**	**99.3%**	**105.2%**
	Economic funded ratio	Percent	92.2%	92.6%
IPI	Active members	Number	315	340
	Pension recipients	Number	85	89
	Total active members and pension recipients	**Number**	**400**	**429**
	Available assets	CHF	176 267 272	181 501 443
	Pension fund capital & technical provisions	CHF	160 602 050	166 178 686
	Funded ratio as per OPO 2	**Percent**	**109.8%**	**109.2%**
	Economic funded ratio	Percent	104.1%	99.0%
Swissmedic	Active members	Number	582	602
	Pension recipients	Number	188	199
	Total active members and pension recipients	**Number**	**770**	**801**
	Available assets	CHF	334 233 021	369 854 270
	Pension fund capital & technical provisions	CHF	331 144 121	344 290 287
	Funded ratio as per OPO 2	**Percent**	**100.9%**	**107.4%**
	Economic funded ratio	Percent	94.2%	95.2%
Swiss Federal Audit Oversight Authority	Active members	Number	36	37
	Pension recipients	Number	7	6
	Total active members and pension recipients	**Number**	**43**	**43**
	Available assets	CHF	18 300 888	21 285 802
	Pension fund capital & technical provisions	CHF	18 265 750	19 981 840
	Funded ratio as per OPO 2	**Percent**	**100.2%**	**106.5%**
	Economic funded ratio	Percent	95.5%	99.1%
FINMA	Active members	Number	665	727
	Pension recipients	Number	95	98
	Total active members and pension recipients	**Number**	**760**	**825**
	Available assets	CHF	351 887 837	389 458 769
	Pension fund capital & technical provisions	CHF	350 114 176	365 283 492
	Funded ratio as per OPO 2	**Percent**	**100.5%**	**106.6%**
	Economic funded ratio	Percent	96.4%	98.8%
Swiss Federal Nuclear Safety Inspectorate	Active members	Number	164	177
	Pension recipients	Number	75	88
	Total active members and pension recipients	**Number**	**239**	**265**
	Available assets	CHF	149 951 214	162 396 661
	Pension fund capital & technical provisions	CHF	147 942 058	151 144 987
	Funded ratio as per OPO 2	**Percent**	**101.4%**	**107.4%**
	Economic funded ratio	Percent	92.5%	94.1%
PUBLICA	Active members	Number	121	125
	Pension recipients	Number	69	71
	Total active members and pension recipients	**Number**	**190**	**196**
	Available assets	CHF	85 876 792	93 690 209
	Pension fund capital & technical provisions	CHF	84 915 895	87 189 682
	Funded ratio as per OPO 2	**Percent**	**101.1%**	**107.5%**
	Economic funded ratio	Percent	94.9%	95.9%

Pension plans with one employer		Units	31.12.2023	31.12.2024
Swiss National Museum SNM	Active members	Number	301	301
	Pension recipients	Number	90	93
	Total active members and pension recipients	**Number**	**391**	**394**
	Available assets	CHF	86 107 382	91 128 896
	Pension fund capital & technical provisions	CHF	84 930 994	83 730 782
	Funded ratio as per OPO 2	**Percent**	**101.4%**	**108.8%**
	Economic funded ratio	Percent	92.8%	95.1%
METAS	Active members	Number	272	266
	Pension recipients	Number	111	113
	Total active members and pension recipients	**Number**	**383**	**379**
	Available assets	CHF	162 373 466	171 659 117
	Pension fund capital & technical provisions	CHF	165 873 252	163 936 852
	Funded ratio as per OPO 2	**Percent**	**97.9%**	**104.7%**
	Economic funded ratio	Percent	91.9%	92.7%

Joint pension plans		Units	31.12.2023	31.12.2024
Confederation	Active members	Number	42 138	42 689
	Pension recipients	Number	26 954	27 159
	Total active members and pension recipients	**Number**	**69 092**	**69 848**
	Available assets	CHF	27 820 899 243	29 261 860 478
	Pension fund capital & technical provisions	CHF	28 541 857 869	28 216 267 543
	Funded ratio as per OPO 2	**Percent**	**97.5%**	**103.7%**
	Economic funded ratio	Percent	89.8%	91.3%
Affiliated Organisations	Active members	Number	2 655	2 733
	Pension recipients	Number	1 034	1 046
	Total active members and pension recipients	**Number**	**3 689**	**3 779**
	Available assets	CHF	1 013 717 329	1 086 008 398
	Pension fund capital & technical provisions	CHF	989 671 611	999 321 647
	Funded ratio as per OPO 2	**Percent**	**102.4%**	**108.7%**
	Economic funded ratio	Percent	93.4%	94.2%

Total open pension plans	Active members	Number	68 928	69 629
	Pension recipients	Number	34 855	35 164
	Total active members and pension recipients	**Number**	**103 783**	**104 793**
	Available assets	CHF	37 901 975 022	39 987 359 532
	Pension fund capital & technical provisions	CHF	38 633 785 673	38 355 507 531
	Funded ratio as per OPO 2	**Percent**	**98.1%**	**104.3%**
	Economic funded ratio	Percent	90.6%	91.8%

1.6.2 Closed pension plans

When they set up their own pension funds, Swisscom, RUAG and SRG SSR idée suisse left their respective pension recipients in FPF, the former Federal Pension Fund. The closed plan includes pension recipients who remained with FPF or PUBLICA following the departure of their employer, as well as the former voluntarily insured members. Until 31 December 2023, there were seven separate closed pension plans. With effect from 1 January 2024, all of these were transferred to a single new, closed pension plan. For more information on this see section 9.2.

Key figures for merger of closed pension plans

2024 with prior-year comparison, in CHF or percent

As at 31 December 2023	Available assets for the funded ratio	Liabilities (pension fund capital and technical provisions)	Funded ratio as per OPO 2 in percent
Pensioners only – Voluntarily Insured	82 087 970	88 882 800	92.4%
Pensioners only – Confederation	87 159 326	91 621 640	95.1%
Pensioners only – Swisscom	1 176 325 844	1 193 931 191	98.5%
Pensioners only – RUAG Schweiz AG	426 726 327	400 322 209	106.6%
Pensioners only – SRG SSR idée suisse	315 723 381	305 787 920	103.2%
Pensioners only – PUBLICA Administration	63 747 707	56 487 549	112.9%
Pensioners only – Affiliated Organisations	64 471 852	65 870 016	97.9%
Total, all 7 closed pension plans	**2 216 242 406**	**2 202 903 325**	**100.6%**
Opening balance sheet of the closed pension plan as at 1 January 2024	**2 216 242 409**	**2 101 347 553**	**105.5%**
Closing balance sheet of the closed pension plan as at 31 December 2024	**2 086 409 607**	**1 894 198 047**	**110.1%**

2 Active members and pension recipients

2.1 Active members

Individuals who are only insured for the risks of death and disability are included among active members. More than one insurance situation may apply to each person. Further information can be found in the "Pensions" section in the first part of this report.

Active members

2024 with prior-year comparison, in number of insurance situations

	Active members
31.12.2022	**67 515**
Admissions	11 148
Departures	–9 735
31.12.2023	**68 928**
Admissions	11 538
Departures	–10 837
31.12.2024	**69 629**

2.2 Pension recipients

The figure for pension recipients does not include retirement bridging pensions or IV/AI replacement pensions. A pension recipient is listed as a member more than once if they are insured with a number of employers and/or appear in different pension categories. Further information can be found in the "Pensions" section in the first part of this report.

Pension recipients

2024 with prior-year comparison, in number of individuals

	Retirement pensions	Disability pensions	Surviving spouse/life partner's pensions	Child's pensions*	Divorce pensions	Total pension recipients
31.12.2022	**29 717**	**879**	**10 214**	**1 017**	**91**	**41 918**
Admissions	1 250	84	660	431	16	2 441
Departures	–1 235	–110	–772	–391	–4	–2 512
31.12.2023	**29 732**	**853**	**10 102**	**1 057**	**103**	**41 847**
Admissions	1 449	80	639	374	9	2 551
Departures	–1 437	–80	–760	–356	–3	–2 636
31.12.2024	**29 744**	**853**	**9 981**	**1 075**	**109**	**41 762**

* The figure for child's pensions includes recipients of retired person's and disabled person's child's pensions as well as orphan's pensions.

A total of 773 retirement bridging pensions (prior year: 869) and 35 IV/AI replacement pensions (prior year: 41) were paid.

3 Implementation of the purpose

3.1 Note on the pension plan types

PUBLICA operates separate pension plan types for each pension plan. The employer allocates the active members to the relevant pension plan type on the basis of objective criteria set out in the pension plan regulations.

PUBLICA undertakes to provide the statutory (mandatory) pension benefits as a minimum and at the same time makes provision for extra-mandatory benefits significantly in excess of the OPA minimum. The insured salary comprises the annual salary less the coordination offset of 30% of the annual salary, but no more than CHF 25,725 (status as at 31 December 2024).

The benefits depend on the vested benefits paid in, deposits, savings and interest credits, less any early withdrawals for home ownership or divorce settlements. On taking retirement, members can choose to draw their pension fund capital as a lifetime annuity or wholly or in part as a lump sum. Persons living in a registered partnership are treated in the same way as spouses.

The level of the retirement pension is determined on the basis of the savings available at the time of retirement. At the reference age of 65 the conversion rate is 5.09%, but women in the transition generation (born in 1963 or earlier) reach their reference age earlier.

For the disability pension, the current assets are projected to age 65 and converted into a pension using the conversion rate. The spouse's and partner's prospective pensions amount to 2/3 of the disability benefits or current retirement benefits; for orphan's pensions the figure is 1/6. If there is no entitlement to survivors' benefits, a lump-sum death benefit is paid. By way of alternative, some pension plans provide for the disability pension to be set as a percentage of the insured salary.

Active members have the option to top up their personal retirement assets by making voluntary savings contributions, thereby increasing their retirement pension or vested benefits on departure. The risk premiums are based on a percentage of the insured salary.

3.2 Financing, method of financing

The actuarial financing of the individual pension plans is based on what is known as the funded or capital cover system. The revenues are formed by contributions, inflows of vested benefits from previous pension plans, deposits, and income earned on pension assets. The level of employee and employer contributions and the maximum buy-ins are set out in the individual pension plan regulations.

The vast majority of PUBLICA's operations are funded by contributions to administrative expenses (cost premiums) invoiced to the employers. These are set out in "service level agreements on services".

3.3 Further information on pension activities

Pursuant to Art. 3 para. 2 of the PUBLICA Act, the Federal Council may delegate other tasks to PUBLICA provided that these are relevant to its area of responsibility under the PUBLICA Act; the costs incurred are borne by the Confederation. On this basis, PUBLICA takes charge of paying pensions on behalf of the Federal Council in accordance with the Federal Act of 6 October 1989 on the Remuneration and Occupational Pensions of Federal Council Members and other Federal Officials. These payments are not financed under the funded system.
They are billed to the Confederation on an ongoing basis and are not charged to PUBLICA's annual financial statements.

For the purposes of Art. 36 para. 2 OPA, the parity commissions and the Board of Directors have decided not to adjust pensions in line with the cost of living. Individual employers fund pension increases for their former employees.

4 Valuation and accounting principles, consistency

4.1 Confirmation of financial reporting as per Swiss GAAP ARR 26

The financial statements are compiled in accordance with the Swiss GAAP ARR 26 accounting standards.

4.2 Accounting and valuation principles

4.2.1 General principles

Accounts are kept in accordance with the commercial principles of the Swiss Code of Obligations. The annual financial statements include the entire collective institution consisting of the pension plans, PUBLICA Reinsurance, and PUBLICA Operations. Assets, liabilities and transactions between the individual pension plans, PUBLICA Operations and PUBLICA Reinsurance are not cancelled out but are booked as if between third parties.

4.2.2 Recording point of transactions

All concluded transactions are recorded on a daily basis. Transactions are normally booked on the trade date.

4.2.3 Foreign currency translation

Transactions involving foreign currencies are translated into Swiss francs and recorded using the exchange rate applying on the transaction date. Assets and liabilities held on the balance sheet date are translated at the exchange rate applying on that date. Price differences arising out of the settlement or revaluation of the foreign currency position on the balance sheet date are recorded through income.

4.2.4 Offsetting of assets and liabilities

Receivables and liabilities are offset in the balance sheet to the extent that such offsetting is legally enforceable.

4.2.5 Cash and cash equivalents, receivables, mortgages and liabilities, employers' contribution reserve

Cash and cash equivalents, receivables, mortgages and liabilities as well as the employers' contribution reserve are recorded at their nominal value. Allowances are created as necessary to cover expected defaults on receivables and mortgages.

4.2.6 Securities and derivative financial instruments

Securities (bonds, equities, etc.) and derivative financial instruments are normally valued at market value, which corresponds to the price offered on a market. In exceptional cases where no market value is available, a value arrived at using a valuation model is used. If it is impossible to calculate such a value, the assets are valued and recorded in the balance sheet at cost less any necessary value adjustments. The profits and losses arising out of the valuation are recorded through income.

The replacement values of derivative financial instruments are recorded in the balance sheet item corresponding to the assets from which they are derived. Likewise, transactions used to hedge foreign currency risks are recognised in the balance sheet item affected.

Cash and cash equivalents, receivables or liabilities in connection with the administration of asset management mandates or collective investment schemes are recorded in the corresponding balance sheet item under "Investments". Within asset management mandates and collective investment schemes, cash and cash equivalents are used in particular to provide full and permanent cover for derivatives that increase the exposure, thus ensuring that there is no leverage effect on the overall portfolio. For this reason, the balance sheet items under "Investments" normally show the actual strategic asset allocation (economic exposure).

4.2.7 Private corporate, infrastructure and real estate debt ex Switzerland

Private corporate, infrastructure and real estate debt outside Switzerland is revalued at least quarterly and recognised at the current value. The valuation is carried out using the discounted cash flow (DCF) method, or market prices, where available. Discounting is conducted using interest rates derived from comparable market data that take account of the term, liquidity, credit risk and industry sector of the borrower. If a debtor falls behind with their payments or the asset managers responsible anticipate impairments, the valuation is reviewed by PUBLICA. In the case of private corporate and infrastructure debt, the impairment is based on the lower of a valuation using historical default rates for comparable borrowers and the valuation proposed by the asset manager for debtors in financial difficulties. In the case of private real estate debt, an impairment is recorded if there are indications that the value of the underlying collateral is lower than the nominal value.

4.2.8 Private real estate debt Switzerland

Private real estate debt in Switzerland is recognised at its nominal value. Impairments are assessed if a default is probable or the value of the underlying collateral has fallen significantly.

4.2.9 Real estate investments Switzerland

Directly held real estate is revalued annually and recognised at the market value. The market value is calculated by Jones Lang LaSalle Ltd using the discounted cash flow (DCF) method. The discounting is based on the interest on long-term, risk-free investments together with a specific risk premium. The bandwidth for the nominal discount interest rate is between 3.50% and 5.90% (prior year: 3.50% and 5.80%). The average capital-weighted nominal discount interest rate across the valued portfolio is 4.00% (prior year: 4.06% on a like-for-like basis).

4.2.10 Real estate investments international

Unlisted foreign real estate funds are revalued at least quarterly and recognised at market value in accordance with the most recent quarterly or monthly valuation. Owing to the delayed availability of valuations, the most recent available market values at the end of the previous quarter (or end of the previous month, where available) are used to compile the annual financial statements. Valuations are carried out using a customary real estate valuation method such as the capitalised earnings or discounted cash flow method.

If market indicators indicate a material impairment since the most recent quarterly or monthly valuation, the valuation is reviewed by PUBLICA. The level of the impairment is calculated in collaboration with the fund managers.

4.2.11 Private infrastructure equities

Unlisted foreign infrastructure funds are revalued at least quarterly and recognised at market value in accordance with the most recent available quarterly valuation. Owing to the delayed availability of valuations, the most recent available market values at the end of the previous quarter are used to compile the annual financial statements. Valuations use the discounted cash flow method customarily employed for infrastructure investments. They are carried out or verified by an independent valuer.

4.2.12 Deferred taxes

For the purposes of deferred taxes, property gains taxes on the directly held real estate portfolio are calculated using the current local tax multipliers, on the basis of the effective holding duration of 20 years. Deferred taxes are reported under non-technical provisions without discounting and without loss offsetting within cantons or communes. Future capital gains taxes are taken into account; however, future transaction costs such as property transfer taxes, land register fees, notary's fees, broker's commissions and other costs are disregarded.

4.2.13 Pension fund capital and technical provisions

The basis for the calculation of the technical provisions is the current version of the Regulations governing the Provisions and Reserves of the Federal Pension Fund PUBLICA, the Pension Plans and PUBLICA Reinsurance. PUBLICA's internal actuarial service calculates the pension fund capital and technical provisions using the actuarial tables and supplies the data to the Pension Actuary. The latter then confirms the figures annually using recognised principles and widely available actuarial tables.

4.3 Changes to principles concerning valuation, accounting and reporting

No changes were made to the principles concerning valuation, accounting and reporting.

5 Actuarial risks, risk coverage, funded ratio

5.1 Form of risk coverage, reinsurance

PUBLICA has not taken out any external reinsurance cover for its actuarial risks. With respect to actuarial risks, the individual pension plans are either autonomously reinsured or fully reinsured with PUBLICA Reinsurance. The pension plans concerned pay a risk premium for this reinsurance and also participate in any surpluses. Shares in the surplus are appropriated as a deposit in the employers' contribution reserve for the employers and, where provided for, as a one-time deposit for employees or in favour of the fluctuation reserve. Both the autonomous pension plans and PUBLICA Reinsurance have created adequate provisions to cover foreseeable liabilities and counteract any actuarial fluctuations.

The internal relationship between the pension plans and PUBLICA Reinsurance is reported gross in the income statement. The balance sheet for PUBLICA Reinsurance is as follows:

Balance sheet – PUBLICA Reinsurance

2024 with prior-year comparison, in CHF

	31.12.2023	31.12.2024
Operating assets – PUBLICA Reinsurance	**72 190 154**	**74 963 834**
Liabilities and deferrals	6 004 966	6 442 939
Technical provisions	51 412 170	51 203 534
Fluctuation reserve	7 711 826	7 680 530
Working capital – Reinsurance	0	0
Uncommitted funds	7 061 192	9 436 831
Liabilities and available risk capital – PUBLICA Reinsurance	**72 190 154**	**74 763 834**

The operating assets comprise cash and cash equivalents from cash pooling, bond investments and any accruals/deferrals. PUBLICA Reinsurance has its own, separate, low-risk strategic asset allocation to keep its investment risks as low as possible.

The result for PUBLICA Reinsurance shows a profit of CHF 2.3 million (prior year: CHF 2.0 million) and is reported in the income statement for the collective institution.

5.2 Development of pension fund capital for active members

The balance sheet item "Pension fund capital – active members" corresponds to the total statutory vested termination benefits for active members of CHF 20.2 billion (prior year: CHF 19.6 billion). The interest rate on retirement assets was between 1.25% and 3.25% during the year in review (prior year: 1.0% and 1.5%). The following table shows the development in pension fund capital during the period under review.

Pension fund capital – active members

2024 with prior-year comparison, in CHF mn

	2023	2024
Pension fund capital 1 January	**19 243**	**19 608**
Savings contributions – employees and employers	1 532	1 565
Lump-sum payments and buy-ins – active members	134	141
Vested benefits received	517	517
Home ownership and divorce payments received	22	27
Interest on savings capital	185	346
Vested benefits paid on departure	–533	–532
Early withdrawals for home ownership / divorce	–84	–80
Retirement pensions	–1 363	–1 337
Release on death	–36	–22
Release on disability leading to pension	–30	–30
Formation of pension fund capital resulting from reintegration of disability pension recipients	26	18
Other changes	–4	–2
Total pension fund capital 31 December	**19 608**	**20 221**

The other changes include corrections, bookings relating to other periods and exceptional bookings from the previous year.

5.3 Total OPA retirement assets

OPA retirement assets

2024 with prior-year comparison, in CHF mn and percent

	Units	31.12.2023	31.12.2024
Total OPA retirement assets	CHF mn	5 972	6 114
in percent of pension fund capital – active members	Percent	30.5%	30.2%
OPA minimum interest rate, set by Federal Council	Percent	1.0%	1.25%

In addition to managing the pension fund capital of its active members, PUBLICA manages the retirement assets prescribed by the provisions of the OPA (shadow account). This ensures that the requirements for statutory minimum benefits are met in all cases. The reported OPA retirement assets are contained in the pension fund capital of active members.

5.4 Development of pension fund capital for pension recipients

The pension fund capital for pension recipients corresponds to the net present value of current pensions including associated deferred annuities, and decreased by CHF 633 million from the prior-year figure.

Pension fund capital – pension recipients

2024 with prior-year comparison, in CHF mn

	2023	2024
Pension fund capital 1 January	**20 090**	**19 936**
Statutory benefits	–2 052	–2 097
Lump-sum payments and buy-ins (buy-outs of pension reductions and pension buy-ins)	38	22
Retirement pensions	1 363	1 337
Disability cases leading to pension	30	30
Change to technical parameters	0	–417
Technical interest rate*	364	363
Deaths and other changes	104	128
Total pension fund capital 31 December	**19 936**	**19 303**

* Approximate calculation

Employers and employees partially finance the buy-out of pension reductions, bridging pensions and further benefits under the regulations. Such lump-sum payments and buy-ins flow directly into the pension fund capital for pension recipients.

5.5 Composition, development and explanation of technical provisions

The technical provisions decreased by CHF 566 million year on year.

Technical provisions

2024 with prior-year comparison, in CHF

Pension plans	31.12.2023	Formation	Release	31.12.2024
Pension plan-specific provisions	0	31 800 000	0	31 800 000
Provision for retirement losses	889 508 781	75 427 022	–568 098 979	396 836 823
Provision for change to technical parameters – pension recipients	36 553 478	0	–36 553 478	0
Provision for transitional arrangements on change to technical parameters	7 953 697	443 518	–6 269 092	2 128 124
Provision for fluctuations in the membership of closed pension plans	65 002 296	0	–65 002 296	0
Provision for outstanding claims (IBNR)	195 000 000	5 000 000	–1 000 000	199 000 000
Provision for death and disability	73 000 000	0	–1 000 000	72 000 000
Provision for administrative expenses and cost-of-living adjustment	25 010 973	1 179	–494 382	24 517 771
Provision for administrative expenses and risk premium	213 763	172	–3 600	210 335
Total technical provisions – pension plans	**1 292 242 989**	**112 671 890**	**–678 421 827**	**726 493 052**
Reinsurance				
Provision for outstanding claims (IBNR)	14 000 000	4 992 816	–4 992 816	14 000 000
Provision for death and disability	12 000 000	0	0	12 000 000
Provision for hardship cases – active members / pensioners	14 286 781	10 916 754	0	25 203 534
Provision for hardship cases – pension plans	11 125 390	0	–11 125 390	0
Total technical provisions – Reinsurance	**51 412 170**	**15 909 569**	**–16 118 205**	**51 203 534**
Total technical provisions	**1 343 655 159**	**128 581 459**	**–694 540 032**	**777 696 586**

5.5.1 Technical provisions – pension plans

Technical provisions are capital that, together with the retirement assets of active members and the policy reserves of pension recipients, make up the liabilities on the balance sheet. They serve to meet a future benefit obligation that is not taken into account in the pension fund capital. They are measured using recognised procedures and transparent assumptions.

Provision for retirement losses

When raising the technical interest rate on 31 December 2024, the Board of Directors also reviewed and recalibrated the technical provisions. The existing provision for changes to technical parameters, which included retirement losses as well as the pension plan-specific technical provisions, was divided up into the individual provisions. The provision for changes to technical parameters no longer exists, but the provision for retirement losses has been included. This is maintained because PUBLICA did not reduce its conversion rate when it switched over to generational tables at the end of 2021, and therefore incurs retirement losses. As at the end of 2024, these amounted to 1.96% of the pension fund capital of all active members and increase by around 30 basis points every year.

Pension plan-specific provision

In addition, the new pension plan-specific provision for accompanying measures / risk surpluses has been created out of the provision for changes to the technical parameters. This is the outcome of earlier deliberations, and has been created from risk surpluses for accompanying measures. The Board of Directors pursues a uniform provisions policy, so that all of the pension plan-specific provisions are in principle to be released by the end of the next year. As at the end of 2024, it was endowed with CHF 31.8 million and will not be topped up further.


PUBLICA
Geschlossene Vorsorgewerke

Provision for transitional arrangements on change to technical parameters

This provision finances the measures taken in respect of active members who had in principle reached age 60 on 1 January 2019 when the technical parameters were adjusted. They receive a credit for the portion they draw as an annuity when they take retirement.

Provision for fluctuations in the membership of closed pension plans

Following the merger of the closed pension plans, the Board of Directors decided to liquidate this provision with effect from 1 January 2024.

Provision for outstanding claims (IBNR)

The risk premiums are calculated on an actuarial basis so that they finance the death and disability cases arising in the current year. In the case of disability, however, several years may pass between the occurrence of the insured event and the definitive settlement. A provision is created to enable a correct result for the period to be reported.

Provision for death and disability

The provision for death and disability cushions the financial impact of a one-off extraordinary claims year that is not covered by the risk premium. The calculation is based on a safety level of 99%. This provision only exists in the pension plans that cover the risks of death and disability themselves and are thus exposed to the risk of fluctuation.

Provisions for administrative expenses and cost-of-living adjustment / administrative expenses and risk premium

Certain groups of pensioners no longer have an employer to assume their future administrative expenses.

The provision for administrative expenses and cost-of-living adjustment thus serves to fund future administrative expenses and any cost-of-living adjustments. It is allocated to specific groups of pensioners in the closed pension plan and used in accordance with the purpose.

The provision for administrative expenses and risk premium serves to fund future administrative expenses and includes an allowance for the takeover of pension recipients in respect of the increasing life expectancy risk and costs for a potential reduction in the technical interest rate.

5.5.2 Technical provisions – Reinsurance

Provision for outstanding claims (IBNR)

Like the pension plans, PUBLICA Reinsurance maintains a provision for outstanding claims. In the case of disability, several years may pass between the occurrence of the insured event and the definitive settlement. The provision for outstanding claims in Reinsurance ensures that the costs of disability are covered in the event that a reinsured pension plan is deemed liable for payment.

Provision for death and disability

As with the provision for outstanding claims, Reinsurance is also obliged to set aside a provision for death and disability because it has to bear the risk of fluctuations in the volume of claims of the reinsured pension plans.

Provisions for hardship cases

The prerequisites for granting voluntary benefits from Reinsurance are set out in the PUBLICA policy document on hardship cases. PUBLICA Reinsurance maintains a provision for hardship cases in respect of active members and pension recipients, and another for hardship cases relating to the pension plans. These provisions do not accrue interest and no payments are credited to them.

5.6 Results of the latest actuarial assessment

In its report dated 31 December 2024, the Pension Actuary confirms that the regulatory insurance provisions regarding the benefits and financing comply with the statutory rules in force at the time. It also states that, on the basis of the consolidated funded ratio under Art. 44 OPO 2 of 104.6% as at 31 December 2024, it can confirm that the pension fund can guarantee that it is able to fulfil its obligations as at the reporting date. It also confirms that the measures taken to cover actuarial risks (old age, death and disability) are sufficient. Accordingly, PUBLICA meets the requirements of Art. 52e para. 1bis OPA. Please see our further comments in section 9.1. The confirmation from the Pension Actuary can be found in section 12.

5.7 Actuarial tables and other actuarial assumptions

As of 31 December 2024, the policy reserves for pension recipients were calculated using the BVG 2020 (loaded) actuarial tables (generational tables). The technical interest rate is 2.25% for the open pension plans and 0.5% for the closed pension plan.

When PUBLICA switched over to generational tables at the end of 2021, the only change made was to the way in which the pension fund capital of pension recipients is shown in the balance sheet. All the actuarial parameters in the pension plan regulations (such as the conversion rate, pension reductions as a result of drawing a bridging pension) are still calculated using the previous static tables. The technical provisions for outstanding claims (IBNR) and death and disability are to be adjusted and recalibrated at a later date.

5.8 Funded ratio as per Art. 44 OPO 2

The consolidated funded ratio as per Art. 44 OPO 2 is the ratio of the assets available to cover actuarial liabilities to the required actuarial pension fund capital (pension fund capital and technical provisions). PUBLICA is operated under the fully funded system.

Funded ratio as per Art. 44 OPO 2

2024 with prior-year comparison, in CHF

	31.12.2023	31.12.2024
Actuarially required pension fund capital	40 888 101 169	40 300 909 113
Fluctuation reserve	100 227 812	1 831 744 091
Uncommitted funds (+) / underfunding (–) / working capital (+)	–789 431 763	24 007 617
Available assets	**40 198 897 218**	**42 156 660 821**
Funded ratio as per Art. 44 OPO 2	**98.3%**	**104.6%**

5.9 Economic funded ratio

In order to permit an effective assessment of the Fund’s situation, it is sensible to value the pension liabilities in a market-consistent manner and to calculate an economic funded ratio in addition to the actuarial funded ratio. When calculating the economic funded ratio, liabilities are valued using the current BVG actuarial tables, taking account of the yield curve of Confederation bonds and generational tables. In addition to the obligations to pension recipients, the potential obligations to active members who have already reached the earliest possible statutory retirement age are also taken into account. This potential obligation arises out of the current provisions in the regulations on drawing a retirement pension before reaching the ordinary OASI age limit of 64 for women and 65 for men.

The corresponding calculations produced an economic funded ratio across all 12 pension plans and PUBLICA Reinsurance of 92.6% (prior year: 91.3%).

6 Notes on investments and the net return on investment

6.1 Organisation of investment activity, investment advisors and managers, Investment Guidelines, custodians

The Board of Directors bears overall responsibility for asset management. It is responsible for issuing and amending the Investment Guidelines and determines the strategic asset allocation. The Investment Committee advises the Board of Directors on investment-related issues and monitors compliance with the Investment Guidelines and strategic asset allocation.

Equity investments are made in line with an index and replicate market trends. All equity portfolios are managed by external specialists. The bond portfolios are managed by PUBLICA Asset Management and external specialists on a semi-active basis, allowing for active elements in order to avoid the disadvantages of fully replicating capitalisation-weighted bond indices. Illiquid asset classes such as Swiss and international real estate or private corporate, infrastructure and real estate debt are actively managed, endeavouring to replicate comparable indices as far as possible.

In the interest of business continuity planning, an optional mandate agreement was concluded with Pictet Asset Management in 2011. If PUBLICA Asset Management suddenly finds itself unable to manage the internally managed mandates itself, Pictet has undertaken to take over those mandates within 48 hours. Pictet Asset Management will then manage them on a fiduciary basis until PUBLICA is able to resume doing so itself or a definitive solution has been found.

The following institutions were entrusted with the management of PUBLICA’s assets as at the balance sheet date of 31 December 2024:

Asset management

2024

Mandate	Asset manager	Licensing authority	Benchmark	Investment style	Retrocessions Date of regulation	Received
Swiss government bonds	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	SBI Domestic Swiss Government, Custom Duration	Semi-active	–	prohibited
Non-government bonds CHF	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	SBI AAA-A foreign borrowers (40%) and domestic borrowers (60%)	Semi-active	–	prohibited
Non-government bonds CHF	Pictet et Cie	Swiss Financial Market Supervisory Authority FINMA[2]	SBI AAA-A foreign borrowers (40%) and domestic borrowers (60%)	Semi-active	08.12.11	prohibited
Government bonds EUR	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI Germany (60%) and Netherlands (40%), Custom Duration	Enhanced passive	–	prohibited
Government bonds USD	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI USA, Custom Duration	Enhanced passive	–	prohibited
Government bonds GBP	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI UK	Enhanced passive	–	prohibited
Government bonds CAD	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI Canada	Enhanced passive	–	prohibited
Government bonds AUD	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI Australia	Enhanced passive	–	prohibited
Government bonds SEK	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	JPM GBI Sweden, Custom Duration	Enhanced passive	–	prohibited
Inflation-linked government bonds EUR	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	80% Barclays Euro Government EMU HICP-Linked Bond Index 1–10 Years 20% Barclays Euro Government EMU HICP-Linked Bond Index > 10 Years	Enhanced passive	–	prohibited
Inflation-linked government bonds USD	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	80% Barclays US Government Inflation-Linked Bond Index 1–10 Years 20% Barclays US Government Inflation-Linked Bond Index > 10 Years	Enhanced passive	–	prohibited
Currency hedging Inflation-linked government bonds	Russell Implementation Services Ltd	Financial Conduct Authority (UK)[4]	Difference in relevant portfolio benchmark hedged vs. unhedged	Enhanced passive	30.06.20	prohibited
Public corporate bonds EUR[7,8]	Union Investment Institutional GmbH	Federal Financial Supervisory Authority (DE)[4]	Barclays EUR Corporate	Enhanced passive	20.06.11	prohibited
Public corporate bonds EUR[7,8]	abrdn Investments Limited	Financial Conduct Authority (UK)[4]	Barclays EUR Corporate ex Financials	Enhanced passive	25.08.11	prohibited
Public corporate bonds USD[7,8]	PIMCO Europe Ltd	Financial Conduct Authority (UK)[4]	Barclays USD Corporate Intermediate	Enhanced passive	04.05.11	prohibited
Public corporate bonds USD[7,8]	BlackRock Institutional Trust Company	Office of the Comptroller of the Currency (US)[4]	Barclays USD Corporate Intermediate ex Financials	Enhanced passive	04.05.11	prohibited
Public corporate bonds EUR[7,8]	Legal & General Investment Management	Financial Conduct Authority (UK)[4]	Bloomberg Euro Intermediate Corporate 80% IG 20% HY Index	Enhanced passive	01.10.24	prohibited
Public corporate bonds USD[7,8]	State Street Global Advisors	Financial Conduct Authority (UK)[4]	Bloomberg US Intermediate Corporate 80% IG 20% HY Index	Enhanced passive	01.10.24	prohibited
Private corporate debt	MetLife Investment Management Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	29.09.15	prohibited
Private corporate debt	PGIM Private Capital Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	29.09.15	prohibited
Private infrastructure debt	MetLife Investment Management Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	29.09.15	prohibited
Private infrastructure debt	Vantage Infrastructure (UK) Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	01.12.23	prohibited
Private real estate debt	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	SBI Domestic AAA-BBB 1–3Y	Direct investments	–	prohibited
Private real estate debt	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	SBI Domestic A Yield Custom	Direct investments	–	prohibited
Private real estate debt	PGIM Real Estate (UK) Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	15.11.19	prohibited
Private real estate debt	Baring International Investment Limited	Financial Conduct Authority (UK)[4]	Barclays Global Agg Corp Composite Custom	Direct investments	29.01.20	prohibited
Currency hedging corporate bonds foreign currency	Record Currency Management Limited	Financial Conduct Authority (UK)[4]	Difference in relevant portfolio benchmark hedged vs. unhedged	Enhanced passive	30.06.20	prohibited
Government bonds emerging markets hard currencies[7]	UBS Asset Management	Swiss Financial Market Supervisory Authority FINMA[3]	FTSE ESG Democracy EMMA Investment-Grade Government Bond Index (USD)	Enhanced passive	26.02.16	prohibited
Government bonds emerging markets local currencies	Ashmore Investment Management Limited	Financial Conduct Authority (UK)[4]	FTSE ESG Democracy EMMA Local Currency Government Bond Index	Semi-active	21.02.13	prohibited
Government bonds emerging markets local currencies	Ninety One Asset Management	Financial Conduct Authority (UK)[4]	FTSE ESG Democracy EMMA Local Currency Government Bond Index	Semi-active	21.02.13	prohibited

Mandate	Asset manager	Licensing authority	Benchmark	Investment style	Retrocessions: Date of regulation	Retrocessions: Received
Equities Switzerland	UBS Asset Management (formerly Credit Suisse Asset Management)	Swiss Financial Market Supervisory Authority FINMA[2]	MSCI (gross) Switzerland[5]	Indexed	01.12.08	prohibited
Equities Switzerland	Pictet Asset Management SA	Swiss Financial Market Supervisory Authority FINMA[2]	MSCI (gross) Switzerland[5]	Indexed	02.12.08	prohibited
Equities developed markets ex Switzerland[7]	UBS Asset Management (formerly Credit Suisse Asset Management)	Swiss Financial Market Supervisory Authority FINMA[3]	MSCI (gross) Europe ex Switzerland (30%)[6], North America (50%)[6], Pacific (20%)[6]	Indexed	09.11.05	prohibited
Equities Europe[7]	Pictet Asset Management SA	Swiss Financial Market Supervisory Authority FINMA[3]	MSCI (gross) Europe[6]	Indexed	01.05.21	prohibited
Equities North America[7]	Northern Trust Global Investments Limited (UK)	Financial Conduct Authority (UK)[4]	MSCI (gross) North America (50%)[6]	Indexed	01.05.21	prohibited
Equities Pacific[7]	Pictet Asset Management SA	Swiss Financial Market Supervisory Authority FINMA[3]	MSCI (gross) Pacific[6]	Indexed	01.05.21	prohibited
Currency hedging equities developed markets ex Switzerland	Russell Implementation Services Ltd	Financial Conduct Authority (UK)[4]	Difference in relevant portfolio benchmark hedged vs. unhedged	Enhanced passive	30.06.20	prohibited
Equities emerging markets[7]	Pictet Asset Management SA	Swiss Financial Market Supervisory Authority FINMA[2]	MSCI (net) Emerging Markets[6]	Indexed	19.08.10	prohibited
Equities emerging markets[7]	UBS Asset Management	Swiss Financial Market Supervisory Authority FINMA[2]	MSCI (net) Emerging Markets[6]	Indexed	01.05.21	prohibited
Precious metals	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	S&P GSCI TR Precious Metals	Enhanced passive	02.11.09	prohibited
Precious metals	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	London Gold Price PM Auction USD	Direct investments	20.05.15	prohibited
Real estate Switzerland	Swiss Federal Pension Fund PUBLICA	Bernische BVG- und Stiftungsaufsicht (CH)[1]	KGAST Immo Index	Direct investments	–	prohibited
Real estate investments Switzerland	LIVIT AG	n/a	n/a	Direct investments	23.11.11	prohibited
Real estate investments Switzerland	Von Graffenried AG Liegenschaften	n/a	n/a	Direct investments	27.06.16	prohibited
Real estate investments Switzerland	Privera AG	n/a	n/a	Direct investments	27.06.16	prohibited
Real estate investments Switzerland	Apleona GVA AG	n/a	n/a	Direct investments	01.07.14	prohibited
Real estate investments Switzerland	Sidenzia AG[10]	n/a	n/a	Direct investments	01.09.21	prohibited
Real estate investments Switzerland	Régie Duboux SA	n/a	n/a	Direct investments	04.08.22	prohibited
Real estate investments Switzerland	Reasco AG	n/a	n/a	Direct investments	19.04.22	prohibited
Real estate investments international APAC	M&G Luxembourg S.A.	Commission de Surveillance du Secteur Financier (CSSF)	ANREV ODCE (Open End Diversified Core Equity) Fund Index	Real estate funds	10.05.16	prohibited
Real estate investments international APAC	Nuveen Alternatives Europe S.à.r.l	Commission de Surveillance du Secteur Financier (CSSF)	ANREV ODCE (Open End Diversified Core Equity) Fund Index	Real estate funds	01.10.18	prohibited
Real estate investments international Australia	Dexus Capital Funds Management Limited	Australian Securities and Investments Commission (ASIC)	ANREV Australia Core Open End Fund Monthly Index	Real estate funds	01.11.15	prohibited
Real estate investments international Australia	Dexus Wholesale Property Limited	Australian Securities and Investments Commission (ASIC)	ANREV Australia Core Open End Fund Monthly Index	Real estate funds	07.06.18	prohibited
Real estate investments international Australia	GPT Funds Management Limited	Australian Securities and Investments Commission (ASIC)	ANREV Australia Core Open End Fund Monthly Index	Real estate funds	29.11.17	prohibited
Real estate investments international Europe	AEW S.à.r.l.	Commission de Surveillance du Secteur Financier (CSSF)	INREV Open End Diversified Core Equity Fund Index	Real estate funds	13.12.19	prohibited
Real estate investments international Europe	AXA Real Estate Investment Managers SGP	Commission de Surveillance du Secteur Financier (CSSF)	INREV Open End Diversified Core Equity Fund Index	Real estate funds	01.01.18	prohibited
Real estate investments international Europe	Hines Luxembourg Investment Management S.à.r.l.	Commission de Surveillance du Secteur Financier (CSSF)	INREV Open End Diversified Core Equity Fund Index	Real estate funds	07.02.20	prohibited
Real estate investments international Europe	PGIM Real Estate Luxembourg S.A.	Commission de Surveillance du Secteur Financier (CSSF)	INREV Open End Diversified Core Equity Fund Index	Real estate funds	01.07.19	prohibited
Real estate investments international USA	LaSalle Property Fund, L.P.	U.S. Securities and Exchange Commission (SEC)	NCREIF Fund Index Open End Diversified Core Equity	Real estate funds	01.03.16	prohibited
Real estate investments international USA	PRISA Fund Manager LLC	U.S. Securities and Exchange Commission (SEC)	NCREIF Fund Index Open End Diversified Core Equity	Real estate funds	19.09.17	prohibited
Real estate investments international USA	RREEF America LLC	U.S. Securities and Exchange Commission (SEC)	NCREIF Fund Index Open End Diversified Core Equity	Real estate funds	19.06.17	prohibited
Real estate investments international USA	NewTower Trust Company	Office of Financial Regulation	NCREIF Fund Index Open End Diversified Core Equity	Real estate funds	–	prohibited

Mandate	Asset manager	Licensing authority	Benchmark	Investment style	Retrocessions Date of regulation	Received
Real estate investments international Canada	Sanne LIS S.A.	Commission de Surveillance du Secteur Financier (CSSF)	MSCI/REALPAC Canada Quarterly PFI	Real estate funds	–	prohibited
Private infrastructure equities	Macquarie Asset Management Europe S.à.r.l.	Commission de Surveillance du Secteur Financier (CSSF)	MSCI Custom Global Quarterly Private Infrastructure Asset Index (Unfrozen)	Infrastructure funds	24.11.21	prohibited
Private infrastructure equities	BlackRock France SAS	L'Autorité des Marchés Financiers	MSCI Custom Global Quarterly Private Infrastructure Asset Index (Unfrozen)	Infrastructure funds	25.08.23	prohibited
Private infrastructure equities	JP Morgan Asset Management (Europe) S.à.r.l.	Commission de Surveillance du Secteur Financier (CSSF)	MSCI Custom Global Quarterly Private Infrastructure Asset Index (Unfrozen)	Infrastructure funds	31.03.23	prohibited

1) Art. 48f para 4 let. a. OPO 2 registered pension plans under Art. 48 OPA

2) Art. 48f para 4 let. d. OPO 2 banks under the Banking Act

3) Art. 48f para 4 let. f. OPO 2 fund management companies

4) Art. 48f para. 4 let. h. OPO 2 financial intermediaries active abroad subject to supervision by a foreign supervisory authority

5) 100% MSCI Switzerland IMI capital-weighted climate-efficient index

6) In each case 50% MSCI CEC capital-weighted, 16.6% MSCI CEC Minimum Volatility, 16.6% MSCI CEC Small Caps and 16.6% MSCI CEC Enhanced Value climate-efficient indices

7) Mandate in single-investor fund

8) Public corporate bond mandates of BlackRock, Pimco, abrdn, Union Investment terminated 30.09.2024, State Street and Legal & General mandated from 1.10.2024

9) 75% MSCI CEC capital-weighted, 8.3% MSCI CEC Minimum Volatility, 8.3% MSCI CEC Small Caps and 8.3% MSCI CEC Enhanced Value climate-efficient indices

10) Until 31.01.2024

PUBLICA strives to achieve low costs and fair, transparent agreements in the individual asset classes at all times. In connection with securities and real estate, the arrangements entered into with PUBLICA's partners prohibit the acceptance or retention of compensation in excess of the contractually agreed mandate fee, in particular retrocessions or similar pecuniary advantages.

PUBLICA's securities are held with the following custodian bank:

Global Custodian (custodian bank for securities and consolidation of all assets)	J.P. Morgan (Switzerland) Ltd Dreikönigstrasse 21 8002 Zurich	jpmorgan.com

6.2 Extensions to the range of permitted investments (Art. 50 OPO 2)

The alternative asset classes "private corporate debt" amounting to CHF 1,215 million (prior year: CHF 1,215 million) and "private real estate debt" amounting to CHF 1,227 million (prior year: CHF 1,091 million) are implemented via diversified mandates. The open pension plans hold 3.0% (prior year: 3.2%) of private corporate debt and 2.9% (prior year: 2.7%) of private real estate debt. This complies with the bandwidths of 1.5%–4.6% and 1.5%–4.5% respectively.

The "precious metals" alternative asset class amounting to CHF 1,323 million (prior year: CHF 1,145 million) is managed internally. Of this total, approx. 80% is invested in physical gold, with the remaining approx. 20% being implemented by means of an excess return swap. The open pension plans have invested 3.1% of their assets (prior year: 2.9%), which is within the 1.5%–4.5% bandwidth. The closed pension plan has invested 3.1% of its assets (prior year: 2.8%), which is also within the 1.5%–4.5% bandwidth. For further information see section 6.4.

These three alternative asset classes do not constitute collective investments within the meaning of Art. 53 para. 4 OPO 2, so that the extension provided for in Art. 50 para. 4 OPO 2 is utilised. A specialised investment team is responsible for the diligent selection, management and monitoring of these alternative asset classes.

Reliable achievement of the pension objectives is ensured by regularly conducted asset and liability studies. Direct investments are permitted as set out in Art. 25 of the PUBLICA Investment Guidelines and appropriate risk diversification within the asset classes is ensured.

6.3 Target size and calculation of the fluctuation reserve

Owing to the positive operating result, fluctuation reserves of CHF 1,731.5 million (prior year: CHF 74.9 million) were created.

Target size and calculation of the fluctuation reserve

2024 with prior-year comparison, in CHF

	31.12.2023	31.12.2024
Fluctuation reserve 01.01	**25 461 642**	**100 227 812**
Change in fluctuation reserve debited (+) / credited (–) to income statement	74 766 171	1 731 516 279
Total fluctuation reserve 31.12	**100 227 812**	**1 831 744 091**
Fluctuation reserve deficit 31.12	6 820 157 679	4 995 073 212
Target fluctuation reserve	**6 920 385 492**	**6 826 817 303**
Fluctuation reserve in % of target size excluding working capital	1.4%	26.9%
Average target size of fluctuation reserve in % of pension fund capital and technical provisions	16.9%	16.9%

The target value of the fluctuation reserve is calculated in accordance with the Regulations governing the Provisions and Reserves of the Federal Pension Fund PUBLICA, the Pension Plans and PUBLICA Reinsurance such that the total loss incurred on the investments in a year is covered, with a minimal residual probability. This is defined by the one-year Value at Risk (VaR) with a confidence level of 97.5% (as in the previous year) for the open pension plans, and a target value at the end of the year of 17% of the sum of pension fund capital and technical provisions. For the closed pension plan and PUBLICA Reinsurance, the target value is 15% with a confidence level of 99%, the same as in 2023. No adjustment is made until the difference between the new and existing target values is at least two percentage points.

6.4 Assets by asset class

Responsibility for implementing the strategic asset allocation lies with PUBLICA Asset Management. Asset Management also takes tactical decisions to deviate temporarily from the weightings set out in the strategic asset allocation in order to generate added value relative to the defined allocation. Where individual asset classes are increased or reduced over a number of years, a pro rata allocation is calculated to ensure that transactions are diversified as well as possible over time with regard to opportunity and transaction costs.

Of the total CHF 42.2 billion of investments (excluding cash and cash equivalents, receivables, operating assets, prepaid expenses and accrued income, and taking account of deferred taxes), CHF 40.0 billion are invested in the strategic asset allocation for the open pension plans and CHF 2.1 billion in the allocation for the closed pension plan. The remaining investments of CHF 0.1 billion have been invested in accordance with the lower-risk strategic asset allocation of PUBLICA Reinsurance. The composition of the investments in the individual asset classes is set out in detail in the balance sheet and in section 6.9.

Strategic asset allocation – open pension plans

2024, in CHF mn or percent

Asset class	Investments 31.12.2024 CHF mn	Allocation at 31.12.2024	Pro rata strategy	Tactical bandwidths as a % of strategy weighting	
				Minimum	Maximum
Money market	**826**	**2.1%**	**3.0%**	**0.0%**	**6.0%**
Swiss government bonds	**2 602**	**6.5%**	**7.0%**	**5.6%**	**8.4%**
Non-government bonds CHF	**2 707**	**6.8%**	**6.4%**	**5.1%**	**7.7%**
Government bonds EUR currency hedged	973	2.4%	2.5%	1.3%	3.8%
Government bonds USD currency hedged	593	1.5%	1.5%	0.8%	2.3%
Government bonds GBP currency hedged	378	0.9%	1.0%	0.0%	2.0%
Government bonds CAD currency hedged	376	0.9%	1.0%	0.0%	2.0%
Government bonds AUD currency hedged	384	1.0%	1.0%	0.0%	2.0%
Government bonds SEK currency hedged	371	0.9%	1.0%	0.0%	2.0%
Government bonds developed markets ex Switzerland	**3 076**	**7.7%**	**8.0%**	**6.4%**	**9.6%**
Inflation-linked government bonds EUR currency hedged	367	0.9%	1.0%	0.5%	1.5%
Inflation-linked government bonds USD currency hedged	813	2.0%	2.0%	1.0%	3.0%
Inflation-linked government bonds	**1 180**	**2.9%**	**3.0%**	**2.4%**	**3.6%**
Public corporate bonds EUR currency hedged	836	2.1%	2.0%	1.0%	3.0%
Public corporate bonds USD currency hedged	1 262	3.2%	3.0%	1.5%	4.5%
Public corporate bonds ex CHF	**2 098**	**5.2%**	**5.0%**	**4.0%**	**6.0%**
Private corporate debt	**1 215**	**3.0%**	**3.1%**	**1.5%**	**4.6%**
Private infrastructure debt	**1 260**	**3.1%**	**3.3%**	**1.7%**	**5.0%**
Private real estate debt	**1 165**	**2.9%**	**3.0%**	**1.5%**	**4.5%**
Government bonds emerging markets hard currencies	**747**	**1.9%**	**2.0%**	**1.0%**	**3.0%**
Government bonds emerging markets local currencies	**794**	**2.0%**	**2.0%**	**1.0%**	**3.0%**
Equities Switzerland	**2 414**	**6.0%**	**6.0%**	**3.0%**	**9.0%**
Equities Europe partially currency hedged	2 462	6.2%	6.0%	3.0%	9.0%
Equities North America partially currency hedged	4 166	10.4%	10.0%	5.0%	15.0%
Equities Pacific partially currency hedged	1 646	4.1%	4.0%	2.0%	6.0%
Equities developed markets ex Switzerland partially currency hedged	**8 274**	**20.7%**	**20.0%**	**10.0%**	**30.0%**
Equities emerging markets	**3 204**	**8.0%**	**8.0%**	**4.0%**	**12.0%**
Private infrastructure equities	**302**	**0.8%**	**0.8%**	**0.4%**	**1.1%**
Precious metals partially currency hedged	**1 258**	**3.1%**	**3.0%**	**1.5%**	**4.5%**
Real estate investments Switzerland direct[1]	**3 201**	**8.0%**	**7.5%**	**3.8%**	**11.3%**
Real estate investments international indirect	**3 676**	**9.2%**	**9.0%**	**4.5%**	**13.5%**
Total in CHF mn	**39 997**	**100.0%**	**100.0%**		
Total not currency hedged	9 131	22.8%	22.0%		
Total currency hedged	30 866	77.2%	78.0%		

1) Including deferred taxes

Strategic asset allocation– closed pension plan

2024, in CHF mn or percent

Asset class	Investments 31.12.2024 CHF mn	Allocation at 31.12.2024	Pro rata strategy	Tactical bandwidths as a % of strategy weighting	
				Minimum	Maximum
Money market	**68**	**3.3%**	**3.0%**	**0.0%**	**6.0%**
Swiss government bonds	**481**	**23.0%**	**25.0%**	**20.0%**	**30.0%**
Non-government bonds CHF	**244**	**11.6%**	**11.0%**	**8.8%**	**13.2%**
Government bonds EUR currency hedged	44	2.1%	2.2%	1.1%	3.3%
Government bonds USD currency hedged	27	1.3%	1.3%	0.7%	2.0%
Government bonds GBP currency hedged	17	0.8%	0.9%	0.0%	1.8%
Government bonds CAD currency hedged	17	0.8%	0.9%	0.0%	1.8%
Government bonds AUD currency hedged	17	0.8%	0.9%	0.0%	1.8%
Government bonds SEK currency hedged	17	0.8%	0.9%	0.0%	1.8%
Government bonds developed markets ex Switzerland	**140**	**6.7%**	**7.0%**	**5.6%**	**8.4%**
Inflation-linked government bonds EUR currency hedged	32	1.5%	1.7%	0.8%	2.5%
Inflation-linked government bonds USD currency hedged	71	3.4%	3.3%	1.7%	5.0%
Inflation-linked government bonds	**103**	**4.9%**	**5.0%**	**4.0%**	**6.0%**
Public corporate bonds EUR currency hedged	113	5.4%	5.2%	2.6%	7.8%
Public corporate bonds USD currency hedged	170	8.1%	7.8%	3.9%	11.7%
Public corporate bonds ex CHF	**282**	**13.5%**	**13.0%**	**10.4%**	**15.6%**
Private real estate debt	**61**	**2.9%**	**3.0%**	**1.5%**	**4.5%**
Government bonds emerging markets hard currencies	**58**	**2.8%**	**3.0%**	**1.5%**	**4.5%**
Equities Switzerland	**84**	**4.0%**	**4.0%**	**2.0%**	**6.0%**
Equities Europe partially currency hedged	38	1.8%	1.8%	0.9%	2.7%
Equities North America partially currency hedged	65	3.1%	3.0%	1.5%	4.5%
Equities Pacific partially currency hedged	26	1.2%	1.2%	0.6%	1.8%
Equities developed markets ex Switzerland partially currency hedged	**129**	**6.2%**	**6.0%**	**3.0%**	**9.0%**
Precious metals partially currency hedged	**65**	**3.1%**	**3.0%**	**1.5%**	**4.5%**
Real estate investments Switzerland direct[1]	**380**	**18.1%**	**17.0%**	**8.5%**	**25.5%**
Total in CHF mn	**2 097**	**100.0%**	**100.0%**		
Total not currency hedged	117	5.6%	5.3%		
Total currency hedged	1 980	94.4%	94.7%		

1) Including deferred taxes

The Swiss government bonds amounting to CHF 3,083 million (prior year: CHF 3,002 million) are investments in the employer; see section 6.11.

In the case of equity investments from developed markets other than Switzerland, currency risks were hedged between 50% and 80%, depending on the currency pair, using a rules-based, dynamic process. The currency risks on bonds were once again 100% hedged using currency forwards. For economic reasons, currencies of emerging nations are not hedged. Derivative financial instruments are reported under the associated asset classes.

The Swiss real estate portfolio held directly by PUBLICA comprises 83 properties (prior year: 80) and 2 properties in development / under construction (prior year: 3). The portfolio is made up of 70% residential properties, 15% commercial properties and 15% mixed residential and commercial properties (based on the market value as at 31 December 2024).

The bandwidths set out in the strategic asset allocation were complied with as of the reference date, as were the individual limits under Arts 54, 54*a* and 54*b* OPO 2 and the category limits under Arts 55 and 57 OPO 2.

6.5 Current (open) derivative financial instruments

As at 31 December 2024, the following derivative positions were open:

Current (open) derivative financial instruments and collateral

2024 with prior-year comparison, in CHF

31.12.2024	Net replacement value	Underlying equivalent exposure-increasing derivatives in mn	Underlying equivalent exposure-reducing derivatives in mn	Collateral received in mn	Collateral pledged
Interest-rate swaps	3 486 515	75	0	3	0
Precious metal swaps	–3 602 177	191	0	0	5
Currency forwards	–526 074 429	52	–19 932	0	454
Equity futures	1 779 539	95	0	0	0
Bond futures	3 906 777	159	0	0	0

31.12.2023	Net replacement value	Underlying equivalent exposure-increasing derivatives in mn	Underlying equivalent exposure-reducing derivatives in mn	Collateral received in mn	Collateral pledged
Interest-rate swaps	3 100 811	75	0	3	0
Precious metal swaps	108 061	202	0	0	0
Currency forwards	581 398 132	104	–18 070	521	0
Equity futures	1 392 067	91	0	0	0
Bond futures	10 768 202	247	–3	0	0

Interest-rate swaps are used to control interest-rate risks. Around one fifth of the investments in precious metals are replicated via a corresponding swap transaction.

Currency forwards are used for strategic hedging of currency risks and thus reduce the currency risk to which the portfolio as a whole is exposed. Portfolio dividends that have been approved but not yet paid out are reinvested via equity index futures to minimise the portfolio's deviation from the benchmark.

PUBLICA employs a prime brokerage set-up to ensure the efficient management of counterparty risks in its currency hedging programmes. As at end-2024, HSBC and Deutsche Bank are the two FX prime brokers. The currency managers act on a competitive basis with a wide range of banks. They pass the transactions to one of PUBLICA's two FX prime brokers, which then settles all currency forward transactions as central counterparty in return for a fee. The only counterparty risk is therefore in respect of the two FX prime brokers. This is covered by collateral in the form of government bonds that are exchanged daily in order to keep the counterparty risk low.

The interest-rate and precious metal swaps are also covered by collateral to hedge the counterparty risks involved.

PUBLICA uses bond futures to implement a synthetic USD government bond portfolio and fine-tune the interest-rate risk.

The legally required collateral for all exposure-increasing derivatives in the form of cash and cash equivalents is continually monitored to ensure there is no leverage effect on the overall portfolio. Exposure-reducing derivatives are hedged with the corresponding underlyings.

6.6 Open capital commitments

The following capital commitments are open as at 31 December 2024:

Open capital commitments by asset class

2024 with prior-year comparison, in CHF mn

	31.12.2023	31.12.2024
Private infrastructure debt	13	2
Private corporate debt	0	4
Private real estate debt	8	20
Real estate investments international	146	106
Private infrastructure equities	243	166
Total open capital commitments	**410**	**296**

The open capital commitments result from time delays between the approval of the investment and the capital drawdown in the case of unlisted investments.

6.7 Securities lending

PUBLICA has concluded a securities lending agreement for foreign securities with J.P. Morgan, under which J.P. Morgan acts as an agent. The borrowers are first-class counterparties that are carefully selected and constantly monitored. PUBLICA accepts only government bonds with a high credit rating as collateral. As at 31 December 2024, securities valued at CHF 1,301 million were on loan (compared with CHF 1,169 million as at 31 December 2023).

The securities lending transactions are in accordance with the investment regulations applicable to pension funds, which refer to the corresponding rules for Swiss collective investment schemes (Art. 55 CISA, Art. 76 CISO, CISO-FINMA).

6.8 Net investment income

The composition of the net income from the individual asset classes is set out in detail in the income statement. Interest on arrears in respect of vested benefits is reported under "net income from liabilities".

6.9 Performance

Performance measurement seeks to report, as factually and in as much detail as possible, the influence of market trends and investment decisions on investments. The performance is calculated as the ratio of income to average invested capital. Current income such as coupons and dividend payments as well as capital gains and losses and total asset management expenses are taken into account (total return). Inflows and outflows of funds similarly influence the average invested capital, with the timing of these flows also playing a role. PUBLICA's performance calculation is drawn up by the Global Custodian, reconciled with the asset managers and reviewed by the Investment Controller. It is adjusted for the flows of funds and is based on a daily valuation of securities.

Net performance

2024 in CHF and percent, after deduction of all asset management expenses

	Portfolio performance	Benchmark performance	Difference portfolio – benchmark	Investments[1] CHF mn
Money market	**1.13%**	**1.19%**	**–0.06%**	**894**
Swiss government bonds	**4.20%**	**4.26%**	**–0.06%**	**3 083**
Non-government bonds CHF	**5.87%**	**5.50%**	**0.37%**	**2 978**
Government bonds EUR	–2.65%	–2.61%	–0.04%	1 018
Government bonds USD	–6.26%	–6.63%	0.37%	620
Government bonds GBP	–7.52%	–7.39%	–0.13%	395
Government bonds CAD	–0.48%	–0.14%	–0.34%	393
Government bonds AUD	–1.13%	–0.95%	–0.18%	401
Government bonds SEK	–1.95%	–1.82%	–0.13%	388
Government bonds developed markets ex Switzerland	**–3.42%**	**–3.34%**	**–0.08%**	**3 215**
Inflation-linked government bonds	**–3.05%**	**–3.29%**	**0.24%**	**1 283**
Public corporate bonds EUR	1.91%	1.64%	0.27%	948
Public corporate bonds USD	–0.03%	–0.42%	0.39%	1 432
Public corporate bonds ex CHF	**0.79%**	**0.44%**	**0.35%**	**2 380**
Private corporate debt	**–0.95%**	**–0.58%**	**–0.37%**	**1 215**
Private infrastructure debt	**0.72%**	**–0.61%**	**1.33%**	**1 260**
Private real estate debt	**1.03%**	**0.18%**	**0.85%**	**1 227**
Government bonds emerging markets hard currencies	**–5.83%**	**–4.31%**	**–1.52%**	**805**
Government bonds emerging markets local currencies	**2.39%**	**3.17%**	**–0.78%**	**794**
Equities Switzerland	**6.68%**	**6.78%**	**–0.10%**	**2 498**
Equities developed markets ex CH	**17.66%**	**17.90%**	**–0.24%**	**8 403**
Equities emerging markets	**12.90%**	**12.89%**	**0.01%**	**3 204**
Private infrastructure equities	**12.04%**	**4.36%**	**7.68%**	**302**
Precious metals	**32.61%**	**32.27%**	**0.34%**	**1 323**
Real estate investments Switzerland[2]	**4.85%**	**2.96%**	**1.89%**	**3 581**
Real estate investments international	**–6.49%**	**–8.01%**	**1.52%**	**3 676**
Total	**5.88%**	**5.45%**	**0.43%**	**42 121**
Total without currency hedging	9.43%	9.14%	0.29%	42 648
Open pension plans	5.97%	5.54%	0.43%	39 997
Closed pension plan	4.31%	3.94%	0.37%	2 097
Reinsurance	5.87%	5.50%	0.37%	27

1) Excluding cash and cash equivalents, receivables, operating assets, prepaid expenses and accrued income
2) Including deferred taxes

6.10 Asset management expenses

With a cost transparency level of 100%, total asset management expenses stand at 21.2 basis points (prior year: 22.2 basis points). The following figures are presented in accordance with the OPSC minimum requirements.

Asset management expenses

2024 with prior-year comparison, in CHF

	2023	2024	Basis points**
External asset managers – securities	–12 013 250	–14 302 642	3.4
External asset managers – real estate	–6 514 644	–6 803 740	1.6
External asset managers – mortgages	–2 994 822	–3 001 574	0.7
Internal asset managers – securities	–3 296 145	–3 467 328	0.8
Internal asset managers – real estate	–2 875 317	–3 713 443	0.9
Custody fees and management	–4 001 183	–2 573 070	0.6
Direct asset management expenses	–31 695 361	–33 861 797	8.2
Total of all key cost figures reported in the income statement in CHF for collective investment schemes	–43 830 698	–44 549 917	10.7
Total direct asset management expenses (TER costs)	**–75 526 059**	**–78 411 714**	**18.9**
Stamp duty	–7 290 374	–4 566 247	1.1
Withholding tax (not reclaimable)	94 656	1 007 242	–0.2
Taxes	–7 195 718	–3 559 005	0.9
Trading fees, commissions, other costs	–5 446 102	–5 643 549	1.4
Transaction expenses	–5 446 102	–5 643 549	1.4
Transaction expenses and taxes for collective investment schemes	–21 575 446	–25 799 800	6.2
Total transaction expenses and taxes (TTC costs)	**–34 217 267**	**–35 002 354**	**8.4**
Investment Controller	–178 782	–179 582	0.0
Other consultancy (legal, tax, ALM etc.)	–506 047	–313 767	0.1
Other expenses	–684 829	–493 349	0.1
Total other expenses (SC costs)	**–684 829**	**–493 349**	**0.1**
Total asset management expenses in basis points reported in the income statement for the cost-transparent investments	**–110 428 156**	**–113 907 418**	**27.4**
less transaction expenses and taxes in collective investment schemes (TTC costs)	21 575 446	25 799 800	–6.2
Total PUBLICA asset management expenses according to OPSC minimum requirements*	**–88 852 710**	**–88 107 618**	**21.2**
Average cost-transparent investments	41 715 718 520	41 515 674 801	
Cost transparency level	**100%**	**100%**	

* This is the total asset management expenses reported in the income statement less the TTC costs for the collective investment schemes. The OPSC requirements have been supplemented to further improve transparency.
** Figures in basis points for the average cost-transparent investments

External asset manager expenses for real estate include the cost of property valuation and management. Internal asset manager expenses comprise both personnel expenses (including social benefits) and, in particular, all expenses related to securities accounting and a portion of the infrastructure costs of PUBLICA Operations.

In addition to custodian fees and administrative costs, custodian expenses include expenditure on collateralisation processes, in particular collateral management and periodic reporting.

Other expenses include professional advice from the Investment Controller, ALM studies and further consultancy services in connection with asset management.

PUBLICA books collective investment schemes such as single-investor funds in a fully cost-transparent manner, and takes full account of the associated transaction and tax expenses. When comparing with pension funds that have invested in collective investment schemes and calculate asset management expenses solely on the basis of the TER in their income statements, reduced asset management expenses on a TER basis of 18.9 basis points (prior year: 18.9 basis points) should be applied.

Asset management expenses do not include the custodian fees in connection with securities lending amounting to CHF 1.3 million (prior year: CHF 1.2 million), which are offset directly against income. Transaction expenses in relation to foreign currency transactions, chiefly in currencies that are not freely tradable, are likewise not included. They are included by the custodian in the spread and amount to CHF 0.2 million (prior year: CHF 0.3 million).

Total asset management expenses are taken into account when calculating the performance.

6.11 Note on investments with the employer and the employers' contribution reserve

Based on Art. 54 para. 2 let. a OPO 2 on limits for individual debtors, there is no upper limit for investments in the employer. The banks entrusted with the respective asset management mandates are authorised to acquire debt claims against the Confederation, e.g. in the form of bonds.

Allocations to the employers' contribution reserve take account of the surpluses resulting from the good risk results of PUBLICA Reinsurance, among other factors. This relates to the pension plans that have matching reinsurance for their risks. In addition, deposits were made into the employers' contribution reserve following decisions by the parity commissions. In total, CHF 771,093 (prior year: CHF 1,237,086) were withdrawn from the reserve (employers' contributions). Following decisions by the parity commissions, CHF 705,119 (prior year: CHF 1,732,905) were released (additional interest).

On the basis of the current OPA interest rate of 1.25%, the employers' contribution reserve accrued interest at a rate of 0.25% (OPA interest rate minus 1 percentage point).

Employers' contribution reserve

2024 with prior-year comparison, in CHF

	2023	2024
Employers' contribution reserve 01.01.	**45 153 199**	**46 738 808**
Payments	2 145 000	14 877 300
Payment – Reinsurance surplus concept	2 410 601	3 863 456
Allocations	**4 555 601**	**18 740 756**
Withdrawals to finance contributions	–1 237 086	–771 093
Other releases	–1 732 905	–705 119
Utilisation	**–2 969 992**	**–1 476 212**
Interest	**0**	**147 878**
Total employers' contribution reserve 31.12	**46 738 808**	**64 151 230**

7 Note on other items in the balance sheet and income statement

7.1 Operating assets, working capital and liabilities – Operations

The operating assets of PUBLICA Operations comprise the following:

Operating assets, working capital and liabilities – PUBLICA Operations

2024 with prior-year comparison, in CHF

	31.12.2023	31.12.2024
Current assets	10 241 876	11 323 822
Investment assets	6 413 321	5 781 821
Operating assets – PUBLICA Operations	**16 655 197**	**17 105 644**
Liabilities	2 160 594	2 534 858
Working capital	14 494 603	14 570 786
Working capital and liabilities – PUBLICA Operations	**16 655 197**	**17 105 644**

To guarantee its ability to act and as risk capital for exceptional operational liabilities, PUBLICA Operations has its own working capital. This is reported in the same way as uncommitted funds.

7.2 Administrative expenses – Operations

The resources of PUBLICA Operations are used for the administration of active members and pension recipients as well as components of asset management. The items for general administration consist of expenses for both areas of administration. Administrative expenses are reported net of apportionments to asset management. The corresponding expenses are reported under section 6.10 in asset management expenses under the items “Internal asset managers” and “Other expenses” and as a component of custodian expenses.

Administrative expenses

2024 with prior-year comparison, in CHF

	2023	2024
Personnel expenses	–18 508 603	–19 081 491
General administrative expenses	–8 325 191	–8 052 633
Financial expenses	–1 347	–5 710
Apportionments to Asset Management	11 236 486	12 254 257
General administration	**–15 598 655**	**–14 885 577**
Marketing and advertising	**0**	**0**
Statutory Auditors	**–218 254**	**–271 418**
Pension Actuary	**–203 015**	**–216 971**
Supervisory authority	**–126 134**	**–113 134**
Total administrative expenses	**–16 146 058**	**–15 487 099**
Expenditure surplus (–) / income surplus (+) working capital – PUBLICA Operations	**–148 667**	**–76 183**
Administrative expenses	**–16 294 725**	**–15 563 282**
No. of active members	68 928	69 629
No. of pension recipients	41 847	41 762
Total active members and pension recipients	**110 775**	**111 391**
Administrative expenses per active member / pension recipient	**147**	**140**

General administrative expenses are charged to asset management and administrative management transparently and in line with their contribution to those expenses. PUBLICA obtains services from affiliated employers at market conditions and does not receive any hidden contributions. Administrative costs are then attributed to the individual pension plans. While the allocation of costs to the two administrative areas is largely carried out via apportionments, the allocation to the individual pension plans is largely guided by processes. These are derived directly from the services provided in the administration of active members and pension recipients (e.g. entrance, departure and pension calculations, and changes). They are charged according to the quantity used.

7.3 Non-technical provisions

Non-technical provisions

2024 with prior-year comparison, in CHF

	31.12.2023	31.12.2024
Provision for cost fluctuations	30 554 843	25 616 351
Deferred taxes	148 792 419	141 349 201
Non-technical provisions	**179 347 262**	**166 965 552**

The cost premiums paid by employers are compared with the administrative costs actually caused. The shortfall from administrative expenses amounting to CHF 4.9 million (prior year: CHF 4.8 million) was charged to the non-technical provisions of the pension plans.

Under Arts 13 and 20 of the Regulations governing the Provisions and Reserves of the Federal Pension Fund PUBLICA, the Pension Plans and PUBLICA Reinsurance, the upper limit for this provision is two thirds of the annual cost premium for the concluded accounting year, while the lower limit is one third. Where the figure falls outside these limits, negotiations are conducted with the employers concerned with a view to setting new cost scales, unless otherwise agreed.

Deferred taxes on the directly held real estate portfolio were reduced by CHF 7.4 million (prior year: CHF 8.2 million) in the year under review. Changes are booked via the corresponding account in the income statement.

8 Requirements of the supervisory authority

Following consultation with the Occupational Pension Supervisory Commission (OPSC) as directive issuer, the Bernische BVG- und Stiftungsaufsicht (BBSA) has, as from the 2022 financial year, removed PUBLICA from the scope of the relevant OPSC Directive 01/2021 on transparency and internal control requirements for pension institutions in competition (status as at 26 January 2021) subject to the following conditions:

"PUBLICA will annually, on submitting its reporting to the BBSA, put on record that it continues to pursue unchanged the strategy set out in its communication dated 22 May 2023. In other words, PUBLICA will confirm that it has not affiliated any new employers in the financial year just ended and will not do so in future, with the exception of employers that are already linked to PUBLICA and are spun off from the affiliated organisations."

Those conditions were also met in the year under review: no new affiliations were undertaken, with the exception of spinoffs from already affiliated employers.

Since 2012, there has been a conflict of norms within PUBLICA's organisation between the Federal Personnel Act (FPA) and the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision (OPA). Art. 50 para. 2 OPA stipulates that the employer may issue provisions concerning either benefits or financing. Under the FPA rules, however, all amendments to the pension plan regulations must be submitted to the Federal Council. In a ruling dated 25 August 2020, the supervisory authority, the Bernische BVG- und Stiftungsaufsicht (BBSA), instructed PUBLICA to comply with the provisions of the OPA, and specifically Art. 50 para. 2. Since July 2022, the BBSA has stated in a number of audits of regulations that the concluding provision in the pension plan regulations stipulating that Federal Council approval is always required is a violation of Art. 50 para. 2 sentence 2 OPA. The supervisory authority requested PUBLICA to amend these provisions of the regulations, stating that until this was done, it would no longer review pension plan regulations submitted to it. A revision of the FPA and the PUBLICA Act is currently under way, one aim of which is to remove this conflict of norms. The Federal Council dispatch has been adopted and is scheduled to be debated in Parliament in 2025. The concluding provision concerning the requirement for Federal Council approval that is currently at issue between PUBLICA and the BBSA is one of those that would have to be amended. PUBLICA is therefore awaiting developments in the revision project.

There are no other requirements of the supervisory authority that have not been met.

9 Further information concerning the financial situation

9.1 Underfunded pension plans

The pension plans' funded ratio as per Art. 44 OPO 2 improved further year on year. As at 31 December 2024, the situation is as follows:

Underfunded pension plans

2024 with prior-year comparison, funded ratio as per Art. 44 OPO 2 in %

Open pension plans with one employer	31.12.2023	31.12.2024
ETH Domain	99.3%	105.2%
METAS	97.9%	104.7%

Open joint pension plans	31.12.2023	31.12.2024
Confederation	97.5%	103.7%

Open pension plans

As at the end of 2024, all the open pension plans have a regulatory funded ratio of over 100%, and none of them are therefore underfunded.

Closed pension plans

In the 2023 financial year, the closed pension plans with one employer (Voluntarily Insured, Confederation and Swisscom) as well as the joint Affiliated Organisations pension plan were underfunded. In its opening balance sheet as at 1 January 2024, the single closed pension plan created by merging the individual closed pension plans had an OPO 2 funded ratio of 105.5%. As at 31 December 2024, it had a regulatory funded ratio of 110.1%.

Underfunding in previous years

In accordance with the Pension Actuary's analysis, the parity commissions of the open pension plans had decided that no measures needed to be taken in previous years. This was based on restructuring strategies for the pension plans concerned.

In accordance with the Pension Actuary's analyses, no measures were taken in respect of the closed pension plans in previous years either. This was due partly to the federal guarantee (Art. 24a of the Federal Act on the Federal Pension Fund, PUBLICA Act of 20 December 2006, status as at 1 January 2023), and partly due to the merging of the closed pension plans as of January 2024, as a result of which the merged pension plan was no longer underfunded as of that date.

The causes of the underfunding in 2022 and 2023 were not structural but related to the economic cycle. PUBLICA therefore decided that there was no need to review the risk capacity of the strategic asset allocation. The defined process, involving ALM studies every four years, was maintained.

9.2 Merger of the closed pension plans as of 1 January 2024

Following an amendment to the PUBLICA Act, the Board of Directors decided on 22 November 2022 to merge the closed pension plans. This was approved by the BBSA in a letter dated 19 December 2024. The information requirement was complied with during the merger.

The provisions for fluctuations in the membership and for changes to the technical parameters in the closed pension plans amounting to CHF 101.6 million were released at the time of the merger in favour of the joint closed pension plan's funded ratio. For this reason, the funded ratio rose from 100.6% at 31 December 2023 to 105.5% at 1 January 2024.

9.3 Liquidation of the SFUVET pension plan in 2022

The Swiss Federal University for Vocational Education and Training pension plan was integrated into the Confederation pension plan with effect from 1 January 2022.

Active members and pension recipients of the pension plan were notified of the partial liquidation. Two objections were filed with the BBSA. The BBSA rejected the distribution plan in rulings on 23 April 2024. PUBLICA was instructed to draw up a new distribution plan that also took account of the SFUVET pension plan's pension recipients. The Board of Directors decided on the new distribution plan at its meeting on 28 November 2024. The active members and pension recipients of the former SFUVET pension plan are now being notified once again about the partial liquidation and the distribution plan. Those affected once again have the right to take proceedings against it. As a consequence, the uncommitted funds can only be distributed once the partial liquidation becomes legally binding.

9.4 Pledging of assets

PUBLICA has concluded framework agreements customary in the sector in respect of derivative financial instruments not transacted on an exchange. In the case of material contract partners, these provide for liabilities to be hedged using securities or cash. The level of the pledged assets for current (open) derivative financial instruments is disclosed in section 6.5.

9.4 Ongoing legal proceedings

There are currently no substantive ongoing legal proceedings.

10 Post-balance sheet events

There have been no extraordinary events since the balance sheet date.

11 Report by the Statutory Auditors

Report of the statutory auditor

to the Board of Directors of the Swiss Federal Pension Fund PUBLICA

Bern

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Swiss Federal Pension Fund PUBLICA (the Pension Fund), which comprise the balance sheet as at 31 December 2024, the operating statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements (pages 47 to 85 of the annual report) comply with Swiss law, the Federal Act on the Federal Pension Fund (PUBLICA Act) and the internal regulations.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Pension Fund in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law, the Federal Act on the Federal Pension Fund and the internal regulations, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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Responsibility of the expert in occupational benefits for the audit of the financial statements

The Board of Directors appoints a statutory auditor as well as an expert in occupational benefits for the audit. The expert in occupational benefits is responsible for evaluating the necessary reserves of underwriting insurance-related risk, consisting of pension liabilities and actuarial reserves. Assessing the evaluation of the pension liabilities and actuarial reserves is not a task of the statutory auditor pursuant to Art. 52c para. 1 let. A of the Swiss Occupational Pensions Act (OPA). In accordance with Art. 52e para. 1 OPA, the expert in occupational benefits also evaluates whether the occupational pension scheme provides assurance that it can meet its obligations and whether all insurance-related provisions regarding benefits and funding in the scheme regulations comply with the legal requirements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Pension Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Board of Directors is responsible for ensuring that the legal requirements are met and that regulatory provisions on organisation, management and investments are applied. In accordance with article 52c para. 1 OPA and article 35 of the Occupational Pensions Ordinance (OPO 2) we have performed the prescribed procedures.

We have assessed whether

- the organisation and management comply with the legal and regulatory requirements and whether internal controls exist that is appropriate to the size and complexity of the Pension Fund;
- the investment of assets complies with legal and regulatory requirements;
- the occupational pension accounts OPA comply with legal 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 fulfil their duties of loyalty and disclosure of interests;
- the non-committed funds or discretionary dividends from insurance contracts have been used in compliance with the legal and regulatory provisions;
- 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 regulatory requirements have been met.

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

PricewaterhouseCoopers AG

This is the English translation of the German report of the statutory auditor

Felix Steiger	Michel Weidmann
Licensed audit expert Auditor in charge	Licensed audit expert

Bern, 25 March 2025

12 Confirmation from the Accredited Pension Actuary

ALLVISA VORSORGE

Mandate

Allvisa AG was mandated by the Board of Directors of the Swiss Federal Pension Fund PUBLICA (hereinafter referred to as the "Pension Fund") to prepare an actuarial report as at 31 December 2024 as defined by art. 52e para. 1 (b) of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG).

Confirmation of independence

As pension actuary as defined in art. 52a para. 1 BVG, we confirm that

- we are licensed by the Occupational Pension Supervisory Commission as defined in Art. 52d BVG;
- we are independent as defined in art. 40 of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2) as well as Directive BV W-03/2013 of the Occupational Pension Supervisory Commission;
- this actuarial report was prepared in accordance with the principles and guidelines of the Swiss Association of Actuaries and the Swiss Chamber of Pension Actuaries. It is in particular confirmed that Standard 5 "Minimum requirements for audits of pension funds pursuant to art. 52e para. 1 BVG" of the Swiss Chamber of Pension Actuaries is being implemented, which was declared binding and expanded for all accredited pension actuaries by Directive BV W-03/2014 of the Occupational Pension Supervisory Commission[1].

Available documents and reference date

We received the data for the active insured and pensioners that are relevant to the calculations from the Pension Fund's management.

Calculation of required actuarial pension capital

We have checked the Pension Fund's calculations for determining the required actuarial pension capital. We can confirm that the following figures are correct:

– Total pension capital of insured	CHF	20,220,603,586
– Total pension capital of pensioners	CHF	19,302,608,940
– Total technical provisions	CHF	777,696,586

[1] As Publica is not included in the list of pension schemes that fall under the scope of application of Directive W – 01/2021 "Transparency and control requirements for competing pension schemes", no evaluation is done in accordance with Standard 7.

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ALLVISA
VORSORGE

Confirmation by pension actuary

In compliance with our duties as pension actuary, we confirm as at **31 December 2024** that we believe that

- the technical rates applied for the open pension plans (2.25%) and the close pension plan (0.5%) and the applied BVG 2020 (GT 2028) actuarial tables are appropriate;
- the fluctuation reserve target of 16.9% of the required actuarial pension capital is sufficient from a consolidated point of view;
- the Pension Fund can guarantee that it can fulfil its obligations as at the reporting date (the consolidated funding ratio pursuant to art. 44 BVV 2 is 104.6%, the value fluctuation reserve equals 26.9% of the target value fluctuation reserve without operating capital);
- the technical provisions comply with the reserve regulations pursuant to art. 48e BVV 2 and the Pension Fund has sufficient reinsurance measures in place as defined in art. 43 BVV 2;
- the regulatory insurance provisions regarding the benefits and financing comply with the statutory rules (art. 52e para. 1^{bis} BVG);
- the measures implemented to cover the actuarial risks (old age, death and disability) are sufficient.

Recommendations

Although the funding deficiencies of all pension plans have been eliminated since the previous year and part of the targeted value fluctuation reserve has been raised, the Pension Fund's financial risk capacity is still limited. Given the Pension Fund's structure we advise giving priority to the further strengthening of the value fluctuation reserve when setting future interest rates.

The technical interest rate for the open pension plans was increased from 2.00% to 2.25% last year, and the reserve regulations were amended at the same time. The current technical interest rate is deemed to be appropriate at present. However, we believe it is a good idea to continue keeping a close eye on interest rate trends. Another decline in interest rates and a reduction in the expected investment returns could require another cut in the technical interest rate.

Zurich, 25 March 2025

Pensionskassen-Experte SKPE
Allvisa AG, 25. März 2025
Qualifizierte elektronische Signatur · Schweizer Recht

Christoph Plüss
Dr. phil. II
SKPE Pension Actuary
Executive Pension Actuary

Pensionskassen-Expertin SKPE
Allvisa AG, 25. März 2025
Qualifizierte elektronische Signatur · Schweizer Recht

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Thank you for your interest.

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