

Short Annual Report 2019

Key figures	2019 CHF	2018 CHF
Capital investments and participations	3,509,479,066	3,323,133,634
Income(+)/ expenditure surplus (-) ¹⁾	217,680,909	-56,017,305
Employer contributions	63,016,551	64,885,225
Employee contributions	43,933,088	42,921,658
Pension benefits	149,171,680	150,603,733
Capital benefits	20,277,404	14,656,311
Net result insurance benefits ²⁾	1,341,236	-16,656,371
	%	%
Return on capital investments	8.09	-0.47
Coverage ratio	110.2	103.3
Fluctuation reserve ³⁾	10.2	3.3
Target fluctuation reserve ³⁾	15.7	15.7

1) See para. 59

2) The amount is mainly made up of the following elements: Difference between the actual death rate in the reporting year and the statistical long-term monitoring (CHF 3.2 million), difference between risk premium and actual costs for death and disability (CHF 6.5 million) and costs related to the retirement process (CHF -8.4 million).

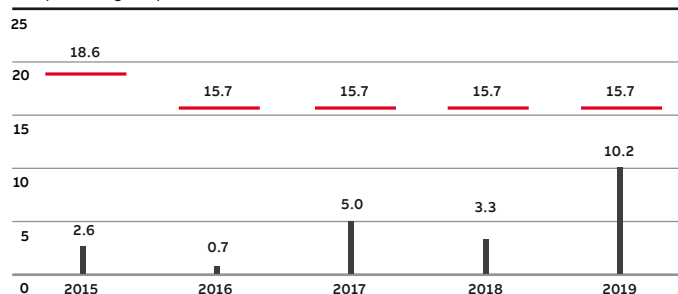
3) As % of pension liabilities (savings and covering capital) and actuarial reserves

Population	2019	%	2018	%
Members	7,180	54	7,091	53
Pensioners	6,066	46	6,186	47
Total	13,246		13,277	

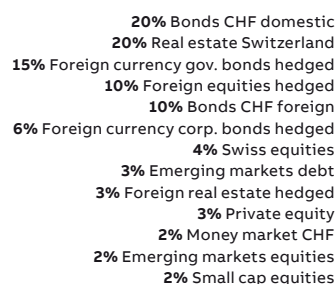
Benefits	2019 CHF	2018 CHF
Pension increase	-	-
One-time bonus for retired pensioners	-	-
	%	%
Conversion rate at 65	5.85	6.05
Interest on savings capital	2.00	2.00
Average interest on savings capital over the last ten years	1.78	1.78
Actuarial interest rate	1.75	1.75

Fluctuation reserve

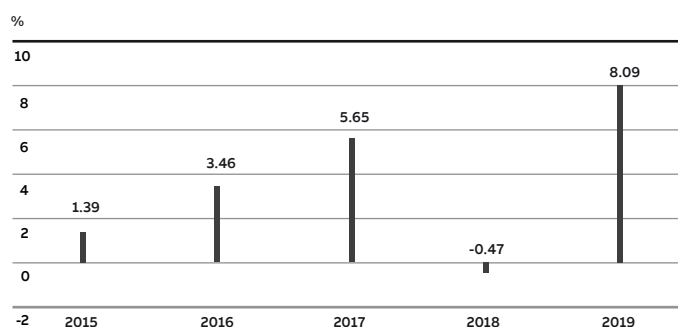
As a percentage of pension liabilities



Investment strategy



Return on capital investments



Balance sheet	31.12.2019 CHF	31.12.2018 CHF
Assets		
Capital investments and participations	3,509,479,066	3,323,133,635
Employer receivables	7,887,050	7,901,856
Cash and other assets	31,719,163	36,482,188
Total assets	3,549,085,279	3,367,517,679
Liabilities		
Liabilities and accruals	23,328,390	30,974,855
Employer contributions reserve	67,317,108	72,148,853
Active members' liabilities (savings capital)	1,158,929,024	1,132,698,096
Pensioners' liabilities (covering capital)	1,857,354,746	1,907,140,414
Actuarial reserves	121,042,304	121,122,664
Fluctuation reserve	321,113,707	103,432,797
Foundation capital/disposable assets/ underfunding	0	0
Total liabilities	3 549,085,279	3,367,517,679

Operating account	2019 CHF	2018 CHF
Regulatory contributions	106,949,639	107,806,883
Vested benefits, purchase amounts, one-time payments	60,137,932	101,228,250
Inflow from contributions and entry lump-sum benefits	167,087,571	209,035,133
Retirement, survivors' and disability pensions	-176,979,360	-173,513,186
Termination benefits	-64,833,177	-75,004,772
Withdrawals for home ownership/divorce	-5,194,372	-5,366,975
Outflow for benefits and withdrawals	-247,006,909	-253,884,933
Increase (-)/decrease (+) in pension liability, actuarial and contribution reserves	28,466,846	5,008,483
Contribution to security fund	-520,000	-430,000
Net result of insurance activities	-51,972,492	-40,271,317
Net return on investments	270,775,728	-14,010,138
Other income	853,259	86,393
Other expenses	0	-260
Administration expenses	-1,975,586	-1,821,984
Increase (-)/decrease (+) in fluctuation reserve	-217,680,909	56,017,306
Income- (+) /expenditure (-) surplus	0	0

Official bodies

Board of Trustees

Employer representatives (1.1.2018-31.12.2021)

Eric Perotti, Chair
Daniela Hadersdorfer
Moritz Küng
Yann Moor
Katharina Ohlhoff (from 14.11.2019)
Marinus Steijn (until 1.10.2019)
Volker Stephan

Employee representatives (1.4.2016-31.3.2020)

Alexander Bélaz, Vice Chair
Marco Braccini
Patrick Deiss
Robert Fellmann
Jörg Lehmann
Jeannette Müller

Investment Risk Committee (1.1.-31.12.2019)

Véronique Dersy, Chair
Marco Bagutti, Vice Chair, external consultant
Patrick Deiss
Rens Goetz
Jörg Lehmann
Michael J. Theurillat, external consultant

Pensioners commission (1.4.2016-31.3.2020)

Kurt Herrmann, Chair
Robert Frech
Edgar Gut (until 9.4.2019)
Gustav Oesch
Hanspeter Oppliger
Hans-Jürg Rüedi (from 10.4.2019)
Kurt Rüttimann

General management (Avadis Vorsorge AG, Zurich)

Christoph Oeschger, General Manager
Katrin Wagner, Dep. General Manager

Further information

The full annual report is legally binding. It can be obtained at www.abb.ch/vorsorge or from the ABB Pension Fund (in German).