



Investment Regulations

VZ Collective Foundation

Effective 1 November 2023



A. Table of contents

A. Contents	2
B. Regulations	3
Article 1 Purpose of these regulations	3
Article 2 Objectives and principles of investment	3
Article 3 Investment strategies	3
Article 4 Management of investment	3
Article 5 Extended investment options	4
Article 6 Reporting and control	4
Article 7 Duties and powers of the board of trustees	4
Article 8 Duties and powers of management	4
Article 9 Accounting principles	4
Article 10 Agency powers	5
Article 11 Loyalty in asset management	5
Article 12 Language of the regulations	5
Article 13 Amendments to the regulations	5
Article 14 Entry into force	5



B. Regulations

Article 1 Purpose of these regulations

1. These regulations set out the objectives and principles of the investment of assets as well as the implementation and supervision of asset management within VZ Collective Foundation (hereinafter «foundation»).
2. The investment of assets is governed by the applicable provisions of the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision of 25 June 1982 (OPA) and the Ordinance on Occupational Old Age, Survivors' and Invalidity Pension Provision of 18 April 1984 (BVV 2).

Article 2 Objectives and principles of investment

1. The focus of investment is on the financial interests of the insured persons.
2. The investment of assets must be carried out in such a way that a return on investment commensurate with the investment risk can be achieved.
3. The assets shall be invested in accordance with statutory provisions, in particular art. 71 OPA and article 49 et seq BVV 2.

Article 3 Investment strategies

1. The insured person determines the investment of his/her savings capital balance himself/herself. In doing so, he or she may choose between a fixed-interest pension account and the foundation's investment strategies. The fixed-interest pension account is considered a low-risk investment within the meaning of art. 53a BVV 2.
2. The choice of investment must be made online or in writing by the insured person.
3. The foundation shall establish investment strategies which, in accordance with art. 50 to 52 BVV 2, guarantee investment security, an adequate return and risk diversification, as well as the coverage of the expected liquidity needs.
4. The insured person may choose between the following investment strategies of the VZ Investment Foundations:
 - VZ OPA Sustainability 15
 - VZ OPA Sustainability 25
 - VZ OPA Sustainability 35
 - VZ OPA Sustainability 45
 - VZ OPA Index Investments 25
 - VZ OPA Index Investments 35
 - VZ OPA Index Investments 45
 - VZ OPA Index Investments 65
 - VZ OPA Index Investments 90 (1e)
5. The following investment strategies may only be selected if they are adopted by the pension commission. However, no more than ten investment strategies may be offered to insured persons.
 - VZ OPA Sustainability 65
 - VZ OPA Sustainability 90 (1e)
 - VZ Pension Fund Equities 100 and interest account
 - Investment strategy pension scheme
5. The investment structure and allocation of the investment strategies of the VZ Investment Foundations are described in the respective investment guidelines.
6. The possible investment structure as well as the ranges of the strategic investment allocation of the «investment strategy pension scheme» are specified in the annex. The asset manager of this investment strategy is VZ Depository Bank Ltd.
7. The investment strategy of the pension scheme pensions is set out in annex II. The asset manager of this investment strategy is VZ Depository Bank Ltd.

Article 4 Management of investment

1. An individual account and, if necessary, a custody account for each insured person shall be maintained with VZ Depository Bank Ltd.
2. Purchase and sale orders for units in investment strategies must be notified to the foundation in a timely manner.



**Article 4
Management of
the investment
(continued)**

3. Units acquired shall be credited to the deposit account. Proceeds from the sale of units shall be credited to the pension account.
4. Purchase orders may only be placed if the necessary liquid assets are available.
5. Savings contributions under the regulations shall be invested as of the next reference date if they have been fully transferred by the employer for the entire number of insured persons in the pension scheme. If the employer transfers the savings contributions in instalments, the prorated savings contributions shall be settled and invested on a weekly basis.
6. Unless otherwise instructed in writing, the foundation shall continuously purchase new units of the most recently chosen investment strategy.
7. The fees and the settlement thereof shall be in accordance with the provisions of the fee regulations.
8. The foundation disclaims all liability for delayed or non-executed orders.
9. Account statements are issued by VZ Depository Bank Ltd. and sent to the insured person by post.

**Article 5
Extended
investment options**

1. The investment strategies offered by the foundation may include the extension provisions pursuant to art. 50 (4bis) BVV 2. Any extensions pursuant to art. 50 (4bis) BVV 2 are described in the annex.
2. If the insured person decides to extend the investment guidelines, heightened requirements apply to the individual capacity to assume risk, appetite for risk and overall financial situation of the insured person.

**Article 6
Reporting and
control**

1. On a quarterly basis (in each case at the end of the quarter), each person shall receive an overall assessment which includes performance, ratios of return and risk, as well as contributions and disbursements.
2. At the end of each quarter, management shall obtain a quarterly report from the asset manager which furnishes an overall assessment of the performance, return, comparison of returns and investment risk.
3. Management shall ensure that board of trustees receives a control report on a quarterly basis, at the end of each quarter, that is commensurate with its requirements.

**Article 7
Duties and powers
of the board of
trustees**

1. The board of trustees shall assume the following duties:
 - a. Issuing these regulations and the implementing provisions
 - b. Definition and delegation of duties and powers
 - c. Issuance of asset management mandates
 - d. Monitoring of the targeted asset management by approving controlling reports pursuant to art. 6 (3)
 - e. Definition and safeguarding of the duty of disclosure to insured persons and ensuring that the insured persons are willing and able to take risks.
 - f. Determination of the investment strategy of the pension scheme pensions in accordance with annex II of the investment regulations.

**Article 8
Duties and powers
of management**

1. Management is entitled to reject investment decisions of the insured person and to submit counter-proposals.
2. Management shall ensure that the planned reports are delivered to the relevant addressees in a timely manner.
3. Management shall exercise ongoing oversight over compliance with these regulations.
4. Management shall ensure the disclosure obligations and the verification of the risk tolerance and risk capacity of the insured persons.

**Article 9
Accounting
principles**

Cash and cash equivalents, fixed-term deposits and receivables are stated at nominal value, while all other asset classes are stated at market value.



Article 10 Agency powers	<ol style="list-style-type: none"> 1. The foundation exercises the shareholder rights associated with share investments primarily in accordance with financial criteria in the interest of insured persons. 2. In the case of routine transactions, voting rights are generally exercised in accordance with the proposals of the board of directors from time to time in office. 	<ol style="list-style-type: none"> 3. In the case of motions that could have a long-term effect on the interests of the insured persons (mergers, reorganisations, divestments of sub-areas, changes to the capital or voting rights structure, etc.), the board of trustees shall decide on the vote separately.
Article 11 Loyalty in asset management	All persons and institutions entrusted with the management of the assets or the management of the foundation undertake to comply with the	rules of loyalty and integrity set forth in art. 48f to 48l BVV 2.
Article 12 Language of the regulations	The foundation shall draw up these regulations in German, French, Italian and English. Only the German version of the regulations is authoritative.	
Article 13 Amendments to the regulations	<ol style="list-style-type: none"> 1. The foregoing shall be without prejudice to changes to supervisory and statutory provisions underlying these regulations. They shall also apply to these regulations from their entry into force. 2. The board of trustees has the right to amend these regulations at any time. Any amendment 	<p>to the regulations shall from their entry into force apply and supersede the previous provisions.</p> <ol style="list-style-type: none"> 3. These regulations and any amendments thereto must be brought to the attention of the competent supervisory authority.
Article 14 Entry into force	These regulations come into force on 1 November 2023 and supersede all previous editions.	

