Tellco pk
Annual report
2024

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Foreword

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Foreword

Dear Sir or Madam

Strong presence. Strong partners. Throughout Switzerland.

Tellco currently supports over 10,000 affiliated SMEs from a wide range of sectors – from industry to services and trade – in every language region of Switzerland. With the opening of our new office in Ticino scheduled for 2025, we are making a clear statement regarding client proximity and regional commitment. In addition to our established presence in German-speaking and Western Switzerland, we are now also available to our clients in person in the south.

Risk management as a core competence

In an increasingly dynamic market environment, professional risk management is key. That is why Tellco has prioritised forward-looking, dynamic risk management for many years, with an approach that recognises market developments at an early stage and enables tailored strategies in response. This is how we ensure stability and reliability, both now and in the future.

Sustainability with an impact

The sustainable development of our investment portfolio is more than just a goal – it is a responsibility. We continuously align our investment strategy with environmental, social and governance (ESG) criteria, as documented in our latest sustainability report. The Swiss Climate Alliance recognised our “Good Practice” in climate-friendly investing in 2024, encouraging us to continue on this path and achieve even more impact for future generations.

Innovative products for modern pension needs

With the new Tellco pk PULSE pension fund, we offer a solution with a 45% equity component – specifically designed for performance-oriented companies and insured persons. At the same time, our tried-and-tested Tellco pk PRO model has been consistently refined, as has Tellco pk INDIVIDUA, which sets new standards in flexibility. This allows us to provide tailored, forward-looking pensions for SMEs of different sizes with varying needs.

A solid interest rate above the OPA minimum interest rate

Our strategy also proved to be successful and robust in 2024. With our PRO and PULSE pension solutions, retirement savings bore interest of 2.25% for 2024 (OPA minimum interest rate: 1.25%).

Social commitment

To help shape public opinion regarding pension fund reform, Tellco developed an interactive OPA reform calculator in 2024. The calculator was made available on the *Blick* and *Handelszeitung* websites and enabled all Swiss residents to calculate whether they were among the winners or losers under the reform. The tool became the most widely used calculator regarding the referendum and shows that we take our social responsibility seriously.

Building a secure future together

Tellco stands for financial strength, innovation and a long-term commitment to everyone who is insured with us: their pension plan is in good hands with us – today and tomorrow.

Yours faithfully

Peter Hofmann
Chairman of the Board of Trustees

Key figures and balance sheet

Key figures at a glance

Tellco pk PRO and PULSE

Tellco pk
PRO

A stable and flexible pension solution for your enterprise

A classic in every respect – the tried and tested solution. Suitable for enterprises that value long-term stability and low volatility.

Key figures	(as of 31.12.2024)
4.49%	Return
5.8% / 6%	Conversion rate (m/f)
103.3%	Coverage ratio
10,025	Affiliated companies
1:18	Ratio of beneficiaries to active insured persons
4.631 billion	Assets in CHF
94,547	Active insured persons
2.25%	Interest rate

Tellco pk
PULSE

Return-orientated pension solution for SMEs

Progressive and return-orientated – the new impetus for growth. Suitable for enterprises with a long-term investment horizon and higher expected returns.

Key figures	(as of 31.12.2024)
8.16%	Return
5.8% / 6%	Conversion rate (m/f)
105.3%	Coverage ratio
37	Affiliated companies
28.7 million	Assets in CHF
337	Active insured persons
2.25%	Interest rate

Key figures

	2024 CHF 1,000	2023 CHF 1,000	Change in %
Gross contributions charged	441,543	441,725	0.0
> of which savings and unit contributions	366,669	365,551	0.3
> of which risk and administrative cost contributions	74,874	76,174	-1,7
Pension capital of active insured persons	3,090,908	2,975,093	3.9
Pension capital of pension beneficiaries	970,344	921,420	5.3
Pension benefits	69,616	64,757	7.5
Technical provisions	134,469	118,204	13.8
> of which provisions for OPA minimum termination benefit	–	–	–
> of which provisions for conversion rate	89,572	80,193	11.7
> of which incurred but not reported (IBNR) reserves	32	32	0.0
> of which increases in the actuarial assumptions	23,530	22,343	5.3
> of which provisions for fluctuations in the mortality risk	1,928	1,815	6.2
> of which provisions for longevity reserve	19,407	13,821	40.4
Underfunding/surplus cover	132,773	35,274	276.4
Balance sheet total	4,813,529	4,580,351	5.1
Other information			
Foundation’s coverage ratio	103.4%	100.9%	2.5
Affiliated companies	10,074	10,307	-2.3
Insured persons	95,527	97,785	-2.3
Pension beneficiaries (number of pensions)	5,462	5,048	8.2
Technical interest rate	**1.75%**	**1.75%**	**–**

Key ESG figures 2024

Sustainability is not a trend – it is a responsibility we all share, and pension funds are no exception. At Tellco pk, we take a long-term view, both financially and in our approach to the environment and society. After all, all those who manage pension assets have a responsibility – towards the people insured with them and towards future generations.

You can read our full climate and sustainability report and learn more about our strategies and goals at www.tellco.ch.

Balance sheet

Assets

	Note	31.12.2024 CHF	31.12.2023 CHF	Change in %
Compartment investments		**4,808,430,689**	**4,575,423,125**	**5.1**
PRO assets	6.4	**4,626,752,390**	**4,427,984,083**	**4.5**
> thereof amounts due from employers	6.8.1	92,262,709	78,661,640	17.3
PULSE assets		**28,698,948**	–	–
> thereof amounts due from employers	6.8.1	392,639	–	–
INDIVIDUA assets	6.4	**152,979,351**	**147,439,042**	**3.8**
Prepaid expenses and accrued income		**5,097,830**	**4,927,469**	**3.5**
Total assets		**4,813,528,519**	**4,580,350,594**	**5.1**

Balance sheet

Liabilities

	Appendix	31.12.2024 CHF	31.12.2023 CHF	Change in %
Liabilities		**393,688,566**	**433,316,215**	**-9.1**
Vested benefits and pensions		291,220,892	351,822,257	-17.2
Current accounts of employer firms		241,766	218,129	10.8
Lump sums received for pension providers		51,518,300	53,133,848	-3.0
Banks/insurance companies		17,969,443	2,520,511	612.9
Other liabilities		32,738,165	25,621,470	27.8
Accruals and deferred income		**20,161,766**	**26,944,728**	**-25.2**
Employer contribution reserve	6.8.2	**33,955,281**	**35,543,096**	**-4.5**
Non-technical provisions	7.3	**570,000**	**2,191,000**	**-74.0**
Pension capital and technical provisions		**4,195,720,123**	**4,014,716,155**	**4.5**
Pension capital of active insured persons	5.3	3,090,907,323	2,975,092,570	3.9
Pension capital of pension beneficiaries	5.5	970,344,299	921,420,084	5.3
Technical provisions	5.6	134,468,501	118,203,501	13.8
Compartment fluctuation reserves	6.3	**142,768,967**	**40,227,050**	**254.9**
Non-committed funds of PRO compartment pension providers		**26,531,228**	**27,412,353**	**–**
Status at the beginning of the period		27,412,354	19,044,851	43.9
+/- Inflow/outflow of non-committed funds of pension providers		-881,124	8,367,502	-110.5
+/- Surplus income/expenses		–	–	–
Status at the end of the period		**26,531,228**	**27,412,353**	**-3.2**
Non-committed funds of PULSE compartment pension providers		**108,091**	**–**	**–**
Status at the beginning of the period		–	–	–
+/- Inflow/outflow of non-committed funds of pension providers		108,091	–	–
+/- Surplus income/expenses		–	–	–
Status at the end of the period		**108,091**	**–**	**–**
Compartment non-committed funds (INDIVIDUA)		**24,497**	**–**	**–**
Status at the beginning of the period		–	–	–
+/- Inflow/outflow of non-committed funds of pension providers		24,497	–	–
+/- Surplus income/expenses		–	–	–
Status at the end of the period		**24,497**	**–**	**–**
Total liabilities		**4,813,528,519**	**4,580,350,594**	**5.1**

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Operating statement

Operating statement

	Appendix	31.12.2024 CHF	31.12.2023 CHF	Change in %
Ordinary and other contributions and deposits		**464,427,394**	**469,285,361**	**-1.0**
Employee contributions	3.2	210,661,803	210,570,673	0.0
Employer contributions	3.2	229,678,460	230,349,062	-0.3
Withdrawal from employer contribution reserves to finance contributions	6.8.2	-5,961,244	-5,086,060	17.2
Third-party contributions	3.2	1,203,000	805,000	49.4
One-time deposits and buy-in amounts	5.3	22,650,691	24,145,321	-6.2
Deposits into employer contribution reserves	6.8.2	5,393,763	5,716,688	-5.6
Deposits in savings capital (from non-committed funds of pension providers)		800,922	2,784,678	-71.2
Enrolment lump sums		**413,535,427**	**460,512,769**	**-10.2**
Vested contributions	5.3	374,252,677	424,721,217	-11.9
Deposits upon takeover of insured portfolios in	5.5	31,814,275	27,443,154	15.9
— Transfer of coverage capital of INDIVIDUA pension beneficiaries	5.5/7.4	28,547,465	27,443,154	4.0
— Pension capital of pension beneficiaries	5.5	3,266,811	–	–
Payment of PHO early withdrawals/divorce	5.3	7,468,475	8,348,398	-10.5
Inflow from contributions and enrolment lump sums		**877,962,821**	**929,798,131**	**-5.6**
Regulatory benefits		**-162,427,177**	**-147,351,890**	**10.2**
Old-age pensions		-45,777,368	-42,849,539	6.8
Survivor’s pensions		-7,383,254	-7,234,619	2.1
Disability pensions		-16,455,358	-14,673,009	12.1
Lump sums upon retirement		-85,819,516	-72,898,639	17.7
Lump sums in the event of death or disability		-6,991,680	-9,696,084	-27.9
Termination benefits		**-602,782,870**	**-555,315,999**	**8.5**
Vested benefits on departure	5.3	-556,157,809	-540,690,252	2.9
Transfer of additional funds in the event of collective exit		-4,631,818	-829,684	458.3
— Pension capital of pension beneficiaries	5.5	-3,198,934	–	–
— Technical provisions		–	-138,987	-100.0
— Employer contribution reserves	6.8.2	-1,432,884	-690,697	107.5
Early withdrawals for PHO/divorce	5.3	-13,445,778	-13,796,063	-2.5
Transfer of coverage capital of INDIVIDUA pension beneficiaries	7.4	-28,547,465	–	–
Outflow for benefits and early withdrawals		**-765,210,047**	**-702,667,890**	**8.9**

Operating statement

	Appendix	31.12.2024 CHF	31.12.2023 CHF	Change in %
Release/creation of pension capital, technical provisions and contribution reserves		**-180,766,927**	**-268,568,410**	**-32.7**
+/- Release/creation of pension capital for active insured persons	5.3	-57,386,071	-141,033,520	-59.3
+/- Expense/income from contract termination		-751,387	-1,877,453	-60.0
+/- Release/creation of pension capital of pension beneficiaries	5.5	-48,923,844	-66,995,107	-27.0
+/- Release/creation of technical provisions	5.2	-16,265,000	-31,621,000	-48.6
– Interest on savings capital	5.3	-59,440,991	-27,101,399	119.3
+/- Release/creation of employer contribution reserves	6.8.2	2,000,365	60,069	3,230.1
Income from insurance benefits		**43,336,421**	**43,288,868**	**0.1**
Insurance benefits	5.2	43,336,421	43,288,868	0.1
Insurance expense		**-44,435,822**	**-50,436,469**	**-11.9**
Insurance premiums	3.2	-36,646,725	-41,770,784	-12.3
— Risk premiums		-35,124,030	-39,980,652	-12.1
— Cost premiums		-1,522,695	-1,790,132	-14.9
Absence and Case Management	3.2	-4,406,022	-5,369,675	-17.9
Contributions to Guarantee Fund	3.2	-3,383,075	-3,296,010	2.6
Net result from the insurance part		**-69,113,555**	**-48,585,770**	**42.3**

Operating statement

	Note	31.12.2024 CHF	31.12.2023 CHF	Change in %
Net investment result		**203,274,529**	**89,059,004**	**128.2**
Gross investment income of the individual compartments	6.7	**245,892,942**	**125,864,788**	**95.4**
PRO		235,672,894	120,359,482	95.8
— thereof various interest expenses		-6,317,144	-5,335,314	18.4
PULSE		1,602,354	–	–
— thereof various interest expenses		-14,731	–	–
INDIVIDUA		8,617,693	5,505,305	56.5
— thereof various interest expenses		-58,892	-33,501	75.8
Administrative costs for investments	6.7.1	-42,618,413	-36,805,784	15.8
+/- Release/creation of non-technical provisions		**1,621,000**	**60,000**	**2,601.7**
Other income		**1,617,113**	**968,163**	**67.0**
Income from services rendered		758,596	717,922	5.7
Other income		858,517	250,241	243.1
Other expenses		**-2,167,899**	**-2,254,188**	**-3.8**
+/- Release/creation of contingency premium counts	6.8.1	-2,165,000	-2,225,000	-2.7
Other expenses		-2,899	-29,188	-90.1
Administrative costs	7.2.1	**-33,437,860**	**-33,869,618**	**-1.3**
General administration		-14,568,176	-14,434,562	0.9
Marketing and advertising		-10,072,844	-9,858,519	2.2
Brokering activities		-8,586,147	-9,204,288	-6.7
Auditor and pension actuary		-149,481	-295,572	-49.4
Supervisory authorities		-61,212	-76,676	-20.2
Surplus income/expenses prior to creation/release of fluctuation reserve		**101,793,327**	**5,377,591**	**–**
+/- Release/creation of fluctuation reserve for compartments		**-102,541,863**	**2,989,910**	**–**
PRO	6.3	-97,498,540	5,589,986	–
PULSE	6.3	-1,250,043	–	–
INDIVIDUA	6.3	-3,793,280	-2,600,076	–
+/- Surplus income/expenses prior to inflow/outflow of non-committed funds		**-748,536**	**8,367,502**	**–**
+/- Inflow/outflow of non-committed funds of pension providers		**748,536**	**-8,367,502**	**–**
PRO		881,124	-8,367,502	–
PULSE		-108,091	–	–
INDIVIDUA		-24,497	–	–
+/- Surplus income/expenses		**0**	**0**	**–**

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Notes to the annual financial statements

1. Basics and organisation

1.1 Legal form and purpose

Tellco pk is a foundation under private law within the meaning of Article 80 et seqq. of the Swiss Civil Code (CC), Article 331 of the Swiss Code of Obligations (CO) and Article 48(2) of the Swiss Occupational Pensions Act (OPA) with its own legal personhood registered in the Commercial Register under number CH-109.924.595. It insures employees and employers of its affiliated companies against the economic consequences of old age, death and disability within the framework of the OPA and its implementing provisions in accordance with the law and relevant regulations.

1.2 Registration and Guarantee Fund

In particular, Tellco pk is subject to the provisions of the Federal Act of 25 June 1982 on Occupational Old Age, Survivors' and Invalidity Pension Provision (OPA; ***Bundesgesetz vom 25. Juni 1982 über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge – BVG***) and the Federal Act of 17 December 1993 on the Vesting of Occupational Old Age, Survivors' and Invalidity Benefits (VBA; ***Bundesgesetz vom 17. Dezember 1993 über die Freizügigkeit in der beruflichen Alters-, Hinterlassenen-und Invalidenvorsorge – FZG***). It is entered in the register for occupational pensions under number SZ 69. Tellco pk is affiliated with the OPA Guarantee Fund pursuant to Article 57 of the OPA and pays contributions to it in accordance with the terms and conditions of the Ordinance of 22 June 1998 on the OPA Guarantee Fund (***SFV***).

1.3 Specification of the deed and regulations

The following deed and regulations govern the activities of Tellco pk in the reporting year:

Designation	**Date of last amendment**	**In force since**
Foundation deed	28.03.2022	28.03.2022
Terms and conditions	05.07.2018	15.11.2018
Pension fund regulations for the occupational pension	15.12.2023	01.01.2024
Supplementary regulations on continued insurance	10.12.2021	01.01.2022
Fees and charges policy	15.12.2023	01.01.2024
Reserve regulations	15.12.2023	31.12.2023
Investment regulations	06.12.2024	01.10.2024
Partial liquidation regulations	13.05.2024	01.01.2024
ICS regulations	25.03.2024	01.01.2024
Organisational regulations	21.09.2021	01.10.2021
Supplement 1 to the organisational regulations	05.09.2023	01.09.2023
Regulations on obtaining competing offers	15.12.2023	01.01.2024

1.4 Joint management body/signatory powers, Board of Trustees

The jointly composed governing bodies of the Foundation are the Board of Trustees and the pension fund commissions of the affiliated pension funds.

Board of Trustees

The Board of Trustees of Tellco pk consists of six members (three representatives each of the employees and of the employers) and forms the strategic management body of Tellco pk. It exercises the ultimate management authority, supervision and control over the management of Tellco pk. The members of the Board of Trustees are to sign jointly, two at a time.

The term of office of the members of the Board of Trustees is fixed at five years. Re-election is permitted.

The Board of Trustees is composed of the following members:

First, surname, place	Term of office
Peter Hofmann, Geneva (Chairman/EE representative)	01.06.2005– 31.12.2024
Leonie Winter, Oberägeri (ER representative)	26.05.2022– 31.12.2024
Daniel Andermatt, Holzhäusern (EE representative)	01.01.2016– 31.12.2024
Roland Walker, Weggis (EE representative)	01.07.2020– 31.12.2024
Pierre Christen, Veyrier (ER representative)	01.01.2016– 31.12.2024
Florence Biner, Zollikon (ER representative)	01.01.2021– 31.12.2024

ER = employer representative, EE = employee representative

All members of the Board of Trustees have been re-elected for the next term of office until 31 December 2029.

Pension fund commission

Management bodies for the affiliated pension funds, composed jointly of an equal number of employer and employee representatives. All pension funds are independent from one another organisationally and economically.

1.5 Management

Management has been delegated to enovetic ag, Rotkreuz. The employees of the commissioned companies sign jointly, two at a time, by proxy or power of attorney.

1.6 Experts, auditor, advisers, supervisory authority

Pension actuary

Within the meaning of Article 53(2) of the OPA, the recognised pension actuary is Dipeka AG, Zurich. It periodically reviews whether Tellco pk provides assurance at all times that it can meet its obligations and whether its actuarial provisions comply with the legal requirements. The Board of Trustees appointed Dipeka AG, Zurich, as the pension actuary for the 2024 financial year. Boris Morf is in charge of the mandate.

Auditor

The Federal Act of 25 June 1982 on Occupational Old Age, Survivors' and Invalidity Pension Provision (OPA) requires an independent auditor to audit the annual financial statements and reporting annually based on additional legal provisions and other regulations. The Board of Trustees appointed PricewaterhouseCoopers AG, Basel, as the auditor for the 2024 financial year. Marco Tiefenthal serves as lead auditor.

Supervisory authority

Tellco pk is subject to supervision by the Central Switzerland OPA and Foundation Supervisory Authority (Zentralschweizer BVG- und Stiftungsaufsicht – ZBSA), which evaluates matters including whether the pension fund's regulatory provisions comply with the legal requirements.

Marketing and sales

Tellco Bank Ltd, Schwyz, has been commissioned with marketing and sales of Tellco pk's services.

Administration and management

enovetic ag, Rotkreuz, has been commissioned with administration and management.

1.7 Affiliated companies

The number of affiliated companies developed as follows:

	PRO	PULSE	INDIVIDUA	2024 Total	2023 Total	Change in %
As of 1 January	10,296	–	11	10,307	10,192	1.1
Newly affiliated companies	833	22	1	856	1,021	-16.2
Change of compartment	-15	15	–	–	–	0.0
Terminated affiliation agreements	-1,089	–	–	-1,089	-906	20.2
> of which due to discontinuation of business	-91	–	–	-91	-52	75.0
> of which terminations due to arrears in payment of premiums	-309	–	–	-309	-280	10.4
> of which due to bankruptcy or liquidation	-51	–	–	-51	-30	70.0
> of which due to change of pension institution	-122	–	–	-122	-148	-17.6
> of which due to lack of employees to be insured	-516	–	–	-516	-385	34.0
> of which due to other reasons	–	–	–	–	-11	-100.0
As of 31 December	**10,025**	**37**	**12**	**10,074**	**10,307**	**-2.3**

2. Active members and pension beneficiaries

2.1 Active insured persons

These are the trends in the number of insured persons:

	PRO	PULSE	INDIVIDUA	2024 Total	2023 Total	Change in %
As of 1 January	97,142	–	643	97,785	95,604	2.3
Not counted in previous years	2	–	8	10	282	0.0
Enrolments	97,271	476	134	97,881	101,918	-4.0
Exits	-98,566	-133	-130	-98,829	-98,948	-0.1
Retirements	-796	-6	-6	-808	-717	12.7
Transfer of disability cases	-441	–	-6	-447	-305	46.6
Deaths	-65	–	–	-65	-49	32.7
As of 31 December	**94,547**	**337**	**643**	**95,527**	**97,785**	**-2.3**

	31.12.2024	31.12.2023
Number of active insured persons from 01.01. –31.12. (including enrolments and exits)	294,500	296,470
Number of pension beneficiaries from 01.01. –31.12. (excluding child's pensions)	4,772	4,422
Total number of beneficiaries in the reporting year	**299,272**	**300,892**

The high rate of change in enrolments and exits in relation to the overall portfolio can be traced back to staff turnover for business reasons in the companies affiliated with Tellco pk in the area of personnel procurement.

Age structure	Men	Women	Total
Under 25 years of age	5,651	2,567	8,218
25 to 34 years	17,147	8,196	25,343
35 to 44 years	17,109	8,109	25,218
45 to 54 years	14,250	7,368	21,618
55 to 65 years (women up to 64)	9,658	5,356	15,014
Over 65 years (women over 64)	84	32	116
Total	**63,899**	**31,628**	**95,527**

The average age of insured persons is:	31.12.2024	31.12.2023
Men	40.4	40.1
Women	41.0	40.8

2.2 Pension beneficiaries

	Disability pensions	Retirement pensions	Partner's pensions	Child's pensions	Divorce pensions	Total
As of 1 January 2024	1,105	2,798	514	626	5	5,048
New pensions	219	237	49	180	–	685
> of which takeovers or from insurance contract	3	–	–	–	–	3
Retirement of disability pension beneficiaries	-79	77	–	–	–	-2
Reactivation/expiry/deaths	-37	-86	-30	-116	–	-269
Pension beneficiary handover	–	–	–	–	–	–
As of 31 December 2024	**1,208**	**3,026**	**533**	**690**	**5**	**5,462**

2.3 Pension beneficiaries under insurance contracts

	31.12.2024	31.12.2023
Disability pensions	3	3
Partner's pensions	–	–
Total	**3**	**3**

3. Fulfilment of the pension objective

3.1 Explanation of pension plans

The pension funds have one or more individual pension plans that are OPA-compliant defined contribution plans. The risk benefits are either dependent on the predicted retirement savings or defined as a percentage of the insured salary (with or without coordination).

3.2 Financing, financing methods

The contributions to financing of the pension plans are defined either as a percentage of the insured salary in the pension plan or by a percentage allocation of the effective costs. The risk premiums are determined by the risk reinsurance rate. The risk and administrative cost contributions finance the insurance premiums, the Guarantee Fund, the provisions and the administrative costs. At least 50% of the total contributions are financed by the employer.

3.3 Pension adjustments

As of 1 January 2025, certain survivors' and disability pensions under the mandatory second pillar will be adjusted to price developments for the first time. The adjustment rate for the pensions that have been ongoing since 2021 is 5.8% (Article 36(1) of the OPA).

At its meeting on 19 December 2024, the Board of Trustees decided not to increase the current pensions pursuant to Article 36(2) of the OPA.

4. Valuation and accounting principles, consistency

4.1 Confirmation of accounting according to Swiss GAAP FER 26

The presentation and valuation of the annual financial statements comply with directive No. 26 issued by the Swiss Commission for Financial Reporting Standards (Swiss GAAP FER) and are in accordance with the provisions of special occupational pension laws.

4.2 Accounting and valuation principles

Bookkeeping, accounting and valuation are carried out in accordance with the provisions of the OPA, including the relevant ordinances (in particular the OPO 2 and Swiss GAAP FER 26).

- Securities and currencies: market value
- Medium-term notes, mortgages and loans: nominal value
- Directly held real estate: discounted cash flow (DCF) method, hedonic method (annual valuation) or at cost less identifiable value adjustments (assets under construction)
- Alternative investments: last available market price
- Currency conversion: rates on the reporting sheet date (assets and liabilities), daily rate (expenses and income)
- Pension capital of active insured persons, pension capital of pension beneficiaries and technical provisions: based on the provisions set out in the reserve regulations and the calculations made by the pension actuary
- Pursuant to the investment regulations, the fluctuation reserve is calculated using a financial economic method (value-at-risk method).

4.3 Change in valuation, accounting and financial reporting principles

No changes were made in the 2024 financial year.

5. Underwriting risks, risk coverage, coverage ratio

5.1 Type of risk coverage, reinsurance Swiss GAAP FER 26

Tellco pk is a semi-autonomous pension fund. The risks of disability and death are reinsured with Swiss Mobiliar Life Insurance Company Ltd. (Mobiliar). Since 1 January 2005, the provisions raised by Mobiliar for definitive benefit claims have been assigned to and subsequently managed by Tellco pk. A net contract has been in place with Mobiliar since 1 January 2010. There has also been a pension scheme for the INDIVIDUA compartment with Mobiliar since 1 January 2023.

In 2024, Tellco pk did not receive any surplus participation.

5.2 Explanation of assets and liabilities from insurance contracts

This comprises coverage capital for pension beneficiaries with the insurance company ZURICH.

	31.12.2024	**31.12.2023**
Assets from insurance contracts	363,332	393,717
Liabilities from insurance contracts	363,332	393,717

5.3 Development and interest rate of the pension capital of active insured persons

The following table shows the development of the pension capital of insured persons:

	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	2,975,093	2,806,902	6.0
Retirement credits	357,926	363,437	-1.5
Premium-free retirement credits	12,117	11,306	7.2
Buy-in amounts and one-time deposits	22,651	22,322	1.5
Vested contributions	374,252	424,611	-11.9
Vested contributions upon contract change	301,544	198,904	51.6
Deposits of non-committed funds and employer contribution reserves	6,195	2,640	134.7
Payment of PHO early withdrawals/divorce	7,468	9,498	-21.4
Vested benefits	-556,158	-540,683	2.9
Vested benefits upon contract change	-301,544	-198,904	51.6
Expense due to contract termination	-3	-6	-54.4
Lump sums upon retirement	-85,820	-72,899	17.7
Transfer to pension capital of pension beneficiaries (retirements)	-61,243	-60,792	0.7
Transfer to pension capital of pension beneficiaries (deaths)	-7,629	-4,713	61.9
Early withdrawals for PHO/withdrawals for divorce	-13,446	-13,796	-2.5
Interest on savings capital	59,441	27,101	119.3
Miscellaneous (VBA 17/provision OPA minimum termination benefits)	63	166	-62.2
As of 31 December	**3,090,908**	**2,975,093**	**3.9**
Number of savings accounts for active insured persons	86,874	89,235	-2.6
Number of savings accounts for disability cases and disability pension beneficiaries	2,153	2,055	4.8

For the PRO and PULSE compartments, the Board of Trustees sets the interest rate for savings capital. For the pension funds in the INDIVIDUA compartment, the joint pension fund commission decides on the interest rate (proposal to the Board of Trustees).

For the affiliated insured persons in the PRO compartment, interest of 1.25% was provisionally paid on savings assets in 2024. At its meeting on 19 December 2024, the Board of Trustees decided to set the definitive interest rate for 2024 at 2.25% (2023: 1%).

For the affiliated insured persons in the PULSE compartment, interest of 1.25% was provisionally paid on savings assets in 2024. By means of a circular resolution, the Board of Trustees decided to set the definitive interest rate for 2024 at 2.25% (2023: n/a).

The pension fund commissions of the affiliated pension funds in the INDIVIDUA compartment set the definitive interest rates at 2.25% to 4.25% (2023: 1% to 4%). These were approved by the Board of Trustees.

5.4 Total retirement savings according to the OPA (shadow account)

Tellco pk maintains the legally required retirement savings as a shadow account in accordance with the OPA, ensuring that the minimum benefits under the OPA will be fulfilled. The OPA retirement savings are included in the following items:

	2024 CHF 1,000	2023 CHF 1,000	Change in %
Pension capital of active insured persons	1,985,116	1,917,039	3.6
	1,985,116	**1,917,039**	**3.6**

The interest rate on the OPA assets in the shadow account was calculated using the OPA minimum interest rate of 1.25%.

5.5 Trends in pension capital of pension beneficiaries

Since 31 December 2021, Tellco pk has recognised its pension obligations on actuarial assumptions in accordance with the OPA 2020 with a technical interest rate of 1.75%. The Foundation created a provision for the reduction of the technical interest rate to 1.5%.

Pension capital of pension beneficiaries	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	921,420	854,427	7.8
Takeover of pension beneficiaries	31,813	27,443	15.9
Pension beneficiary handover	-3,216	-2	170,292.5
Insurance benefits	36,063	36,481	-1.1
Transfer from pension capital of active insured persons (retirements)	61,243	59,691	2.6
Transfer from pension capital of active insured persons (deaths)	7,629	6,070	25.7
Lump sums	-6,614	-9,696	-31.8
Pension payments	-68,497	-63,683	7.6
Savings credits premium waiver	-34,566	-5,630	514.0
Creation (actuarial adjustment)	25,069	16,318	53.6
As of 31 December	**970,344**	**921,420**	**5.3**

5.6 Composition, trends and explanation of the technical provisions

The actuarial provisions are created in accordance with the reserve regulations. The following list is in line with the structure specified in the regulations. Each compartment creates its own provisions. The provisions consist of the following:

Composition of technical provisions	Note	2024 CHF 1,000	2023 CHF 1,000	Change in %
PRO compartment				
Provisions for conversion rate	5.6.1	83,949	75,074	11.8
Increases in the actuarial assumptions	5.6.3	23,514	22,343	5.2
Provision for longevity reserve	5.6.5	18,811	13,406	40.3
Total technical provisions, PRO compartment		**126,274**	**110,823**	**.13.9**
PULSE compartment				
Provisions for conversion rate	5.6.1	470	–	–
Increases in the actuarial assumptions	5.6.3	16	–	–
Provision for longevity reserve	5.6.5	13	–	–
Total technical provisions, PULSE compartment		**499**	**–**	**–**
INDIVIDUA compartment				
Provisions for conversion rate	5.6.1	5,153	5,119	0.7
Other incurred but not reported (IBNR) reserves	5.6.2	32	32	100.0
Provision for fluctuations in the mortality risk of pension beneficiaries	5.6.4	1,928	1,815	6.2
Provision for longevity reserve	5.6.5	583	415	40.5
Total technical provisions, INDIVIDUA compartment		**7,696**	**7,381**	**4.3**
Tellco pk total				
Provisions for conversion rate	5.6.1	89,572	80,193	11.7
Other incurred but not reported (IBNR) reserves	5.6.2	32	32	–
Increases in the actuarial assumptions	5.6.3	23,530	22,343	5.3
Provision for fluctuations in the mortality risk of pension beneficiaries	5.6.4	1,928	1,815	6.2
Provision for longevity reserve	5.6.5	19,407	13,821	40.4
Total		**134,469**	**118,204**	**13.8**

5.6.1 Provisions for conversion rate

This reserve is intended to ensure that the envisaged conversion rate, which is periodically set by the Board of Trustees or the pension fund commission, can continue to be applied in the medium term even if the technical conversion rate is lower.

5.6.2 Other incurred but not reported (IBNR) reserves

The IBNR reserves include the necessary reserves that result from the takeover of affiliations.

5.6.3 Increases in the actuarial assumptions

Due to the fact that the applied actuarial interest rate may differ from the pension actuary’s recommendation, an appropriate technical provision is built up to account for the cost of increasing the pension capital with application of the recommended interest rate.

5.6.4 Provision for fluctuations in the mortality risk of pension beneficiaries

In the case of relatively small pensioner portfolios, life expectancy of pensioners normally varies from the statistical average life expectancy as a result of insufficient risk equalisation and the impossibility to apply the law of large numbers at the moment. The purpose of the provision is to equalise risk fluctuations in the case of pensioner deaths.

5.6.5 Provision for longevity reserve

The provision for longevity reserve serves to finance the pension capital of pension beneficiaries. The provision is calculated as the deviation of the effective development in the mortality of pension beneficiaries from that set out in the model assumptions in the actuarial assumptions.

For pension recipients, this reserve is intended to enable a seamless transition to the technical bases that are newly issued on a periodic basis. In this regard, the presumed increase in the cash values and coverage capital is set aside on a pro-rata basis.

5.7 Actuarial opinion

A selected pension actuary periodically performs an actuarial review of Tellco pk. The last review took place on 31 December 2024.

In their report, the pension actuary confirmed that after reviewing all compartments

- the technical interest rate and the actuarial assumptions used were appropriate as of the cut-off date;
- the target value of the fluctuation reserve was appropriate as of the cut-off date;
- the Foundation offered security as of the cut-off date to ensure that it can meet its obligations;
- the regulations on actuarial provisions governing payments and financing meet the statutory requirements; and
- the measures taken to cover actuarial risks are sufficient.

The next actuarial opinion will be prepared as of 31 December 2025.

5.8 Technical assumptions and other actuarially relevant assumptions

The obligations of Tellco pk have been calculated in accordance with the principles and professional guidelines for pension insurance experts of the Swiss Association of Actuaries and the Chamber of Pension Fund Experts. The following bases for calculation are used:

OPA 2020, period life tables 2021, at the rate of 1.75%.

5.9 Coverage ratio according to Article 44 of the OPO 2

Tellco pk maintains a separate coverage ratio for the PRO and PULSE compartments and for each individual pension fund in the INDIVIDUA compartment. This means that a uniform coverage ratio is used for each pension fund that is affiliated through the PRO or PULSE compartments. An individual coverage ratio is calculated for each pension fund that is affiliated through the INDIVIDUA compartment.

The coverage ratio according to Article 44 of the OPO 2 is the ratio between the available pension assets and the actuarially required pension capital (including actuarial provisions).

Composition of all INDIVIDUA pension funds

Coverage ratio, including reserve of employer's contributions without renunciation of use, in %	Number of pension providers	Pension funds, %	Savings/coverage capital, CHF	Underfunding/surplus cover, CHF	Underfunding/surplus cover, %	Total assets, CHF	Total assets, %	Number of active insured persons	Number of old-age pension beneficiaries	Total number of insured persons
less than 100%	–	0.00%	–	–	–	–	0.00%	–	–	–
100–104.99	2	50.00%	73,446,529	2,552,220	3.03%	84,364,944	54.93%	396	82	478
105–109.99	1	25.00%	31,708,671	2,351,041	6.49%	36,222,392	23.59%	115	14	129
110–114.99	1	25.00%	26,348,314	3,842,247	11.65%	32,986,817	21.48%	132	21	153
115–119.99	–	0.00%	–	–	–	–	0.00%	–	–	–
120 or more	–	0.00%	–	–	–	–	0.00%	–	–	–
Total	**4**	**100.00%**	**131,503,514**	**8,745,508**	**5.69%**	**153,574,153**	**100.00%**	**643**	**117**	**760**

5.9.1 Coverage ratio of PRO compartment according to Article 44 of the OPO 2

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000	Change in %
Available pension assets			
Balance sheet assets	4,631,255	4,432,612	4.5
Balance sheet liabilities	-385,475	-427,452	-9.8
Accruals and deferred income	-19,040	-25,523	-25.4
Employer contribution reserves	-33,753	-35,543	-5.0
Non-technical provisions	-570	-2,191	-74
Non-committed funds of pension funds (restricted)	-26,531	-27,413	-3.2
Total available pension assets	**4,165,886**	**3,914,490**	**6.4**
Pension capital and technical provisions			
Pension capital of active insured persons	2,966,281	2,874,672	3.2
Pension capital of pension beneficiaries	940,558	893,721	5.2
Technical provisions	126,274	110,823	13.9
Pension capital and technical provisions	**4,033,113**	**3,879,216**	**4.0**
Actuarial surplus cover/underfunding	**132,773**	**35,274**	**276.4**
Coverage ratio of the compartment (= minimum coverage ratio of the pension funds)	**103.3%**	**100.9%**	**2.4**

5.9.2 Coverage ratio of PULSE compartment according to Article 44 of the OPO 2

	31.12.2024 CHF 1,000		
Available pension assets			
Balance sheet assets	28,699		
Balance sheet liabilities	-3,720		
Accruals and deferred income	-11		
Employer contribution reserves	-202		
Non-committed funds of pension funds (restricted)	-108		
Total available pension assets	**24,658**		
Pension capital and technical provisions			
Pension capital of active insured persons	22,251		
Pension capital of pension beneficiaries	658		
Technical provisions	499		
Pension capital and technical provisions	**23,408**		
Actuarial surplus cover/underfunding	**1,250**		
Coverage ratio of the compartment (= minimum coverage ratio of the pension funds)	**105.3%**		

6. Explanation of investments and net investment result

6.1 Organisation of investment activities, investment regulations

Investment commission

In collaboration with the independent investment controller Santro Invest AG, the investment committee selected by the Board of Trustees monitors the asset managers. The Board of Trustees is informed on a regular basis about overall performance of the investments, compliance with objectives and technical investment aspects.

Pension funds with customised investments form their own investment commissions, which submit their applications for asset managers to the Board of Trustees.

Members of the Tellco pk investment commission

	Term of office
Yves Bugmann (Chairman), independent	01.01.2021 – 31.12.2024
Peter Hofmann, Chairman of the Board of Trustees	01.01.2021 – 31.12.2024
Pierre Christen, employer representative on the Board of Trustees	01.01.2021 – 31.12.2024

All members of the investment commission have been re-elected for the next term of office until 31 December 2029.

Investment controlling

Santro Invest AG

The investment regulations are dated 1 October 2024. The Foundation offers pension funds two compartments to choose from for the investment of pension assets:

PRO

- Collective investment for all affiliated pension funds.
- The investment strategy is based on an equity component of 25%.
- The affiliated pension funds do not make independent investment decisions.
- Provisions are formed and the coverage ratio determined at compartment level. The coverage ratio is generally the same for all pension funds. Pension funds may however have non-committed funds.

PULSE

- Collective investment for all affiliated pension funds.
- The investment strategy is based on an equity component of 45%.
- The affiliated pension funds do not make independent investment decisions.
- Provisions are formed and the coverage ratio determined at compartment level. The coverage ratio is generally the same for all pension funds. Pension funds may however have non-committed funds.

Tellco Bank Ltd, Schwyz, (licensed by FINMA) is in charge of asset management. The custodian for securities investments is also Tellco Bank Ltd, Schwyz. In terms of investments, and alternative investments in particular, Tellco Bank Ltd has structured monitoring processes that regulate potential conflicts of interest and legal transactions with associates. These are presented to the Board of Trustees of Tellco pk on an annual basis. Tellco Real Estate Ltd is responsible for real estate management for the directly held real estate.

In the agreement of 25 October 2007, Tellco Ltd confirmed that it has not accepted any pecuniary benefits in the course of its asset management since September 2006 and agreed to automatically transfer any such pecuniary benefits to Tellco pk in the future. No such pecuniary benefits were received in 2024 (previous year: none).

INDIVIDUA

- Where size and risk capacity are sufficient, one individual pension fund may create its own investment strategy with individual investments.
- The affiliated pension fund makes its own investment decisions (within the framework of the investment options defined by the Board of Trustees) and forms its own investment commission to this end.
- Provisions are formed and the coverage ratio determined at pension fund level.

Each pension fund submits a proposal to the Board of Trustees regarding its own investment strategy and own asset manager. All asset managers are subject to FINMA supervision.

Disclosure of voting behaviour

Since 1 January 2015, all pension funds are obligated to meet certain voting and disclosure duties in the case of directly held equities in listed Swiss public limited companies. In that case, they are also required to disclose voting behaviour (agendas and allocation of votes) to their insured persons.

The Foundation must vote in the long-term interests of its policyholders and must report to its policyholders at least once a year in a consolidated report on how it fulfilled its voting obligation. Interests are disclosed in the annual financial statement and on the Foundation's website.

With one exception in the INDIVIDUA compartment (previous year: 1), Tellco pk does not have any directly held equities in listed Swiss public limited companies, meaning that it has no opportunity to exercise voting rights. As a result, no consolidated report was prepared.

One pension fund in the INDIVIDUA compartment (previous year: 1) has directly held equities in listed Swiss public limited companies. The voting rights were exercised by the asset manager on the basis of the instructions drawn up and disclosed to the insured persons of the compartment.

6.2 Utilisation of the extended investment possibilities (Article 50 (4) of the OPO 2) with conclusive proof of compliance with security and risk diversification rovisions (Article 50 (1) to (3) of the OPO 2)

Investment in the PRO compartment

In line with the current investment strategy, up to 35% of investments can be made in real estate, and up to 25% can be made in alternative investments. Additionally, non-diversified real estate investments can account for up to 20% of the assets and counterparty investments, and 5% of assets and 1% of assets for each counterparty may be invested in non-diversified investments.

As of 31 December 2024, however, the extension option had not been utilised.

Investment in the PULSE compartment

In line with the current investment strategy, up to 60% of investments can be made in equities, and up to 35% can be made in real estate. Additionally, non-diversified real estate investments can account for up to 20% of the assets and counterparty investments, and 5% of assets and 1% of assets for each counterparty may be invested in non-diversified investments.

As of 31 December 2024, however, the extension option had not been utilised.

Investment in the INDIVIDUA compartment

In the case of three pension funds, the investment commissions are expanding the statutory investment categories and will utilise them as follows:

- Real estate investments (three pension funds, 34.50%, 32.50% and 30.90%).
- Alternative investments (two pension funds, 15.50% and 16.10%)
  Additionally, non-diversified real estate investments can account for up to 20% of the assets and counterparty investments, and 5% of assets and 1% of assets for each counterparty may be invested in non-diversified investments.

These are utilised as follows:

- Non-diversified real estate investments (1 pension fund, 18.44%)

Violation of the regulatory ranges

In addition, the ranges specified in the appendix to the affiliation contract are undercut or exceeded as follows:

- In the area of money market (13.00% instead of a maximum of 12.00%)
- In the area of alternative investments (2.44% instead of at least 2.5%)

Despite exceeding the statutory limits in the areas of real estate and alternative investments and the violation of the regulatory ranges in the areas of money market (exceeded) and alternative investments (undercut), the Board of Trustees and the investment commissions believe that the fulfilment of the objective of pension provision is ensured.

The affected compartment which violates the regulatory ranges will discuss appropriate measures at its upcoming pension/investment commission meeting to ensure the ranges will be adhered to again in the future.

6.3 Target value and calculation of the fluctuation reserve

The fluctuation reserve is created or released in order to offset short-term fluctuations in the value of investments. The target amount of the fluctuation reserve is calculated using a risk-oriented approach relating to the assets by the independent investment controller.

The fluctuation reserves are calculated per PRO and PULSE compartment on a consolidated basis for all pension funds.

In the INDIVIDUA compartment, the fluctuation reserves are calculated for each pension fund.

They are created from the surplus income/expenses prior to creation/release of fluctuation reserves.

	2024 CHF 1,000	2023 CHF 1,000	
Total fluctuation reserves	**142,769**	**40,227**	

PRO compartment

	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	35,275	30,475	15.8
+/- Release/creation of fluctuation reserves PRO compartment	97,499	4,800	1,931.2
As of 31 December	**132,773**	**35,275**	**276.4**
Target value of the fluctuation reserve	**652,372**	**624,998**	**4.4**
Target figure in % of investments	14.1%	14.1%	–
Existing fluctuation reserve	132,773	35,275	276.4
Reserve deficit	**519,599**	**589,723**	**-11.9**

Value fluctuation reserves of pension funds

	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	–	10,390	-100.0
Deposits/withdrawals	–	-195	-100.0
Outflow to non-committed funds of pension funds*	–	-10,195	–
As of 31 December	**–**	**–**	**–**

* Due to the compartment changes, the previous individual fluctuation reserves of CHF 10.2 million for the pension funds in the PRO compartment were reallocated to the individual non-committed funds of the pension funds in 2023.

PULSE compartment

	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	–	n/a	–
+/- Release/creation of fluctuation reserves PULSE compartment	1,250	n/a	–
As of 31 December	**1,250**	**n/a**	**–**
Target value of the fluctuation reserve	**5,080**	**n/a**	**–**
Target figure in % of investments	17.7%	n/a	–
Existing fluctuation reserve	1,250	n/a	–
Reserve deficit	**3,830**	**n/a**	**–**

INDIVIDUA compartment (consolidated)

	2024 CHF 1,000	2023 CHF 1,000	Change in %
As of 1 January	4,952	2,352	110.5
+/- Release/creation of fluctuation reserves INDIVIDUA compartment	3,794	2,601	45.9
As of 31 December	**8,746**	**4,952**	**76.6**
Target value of the fluctuation reserve	**21,114**	**21,268**	**-0.7**
Target figure in % of investments (custom)	–	–	–
Existing fluctuation reserve	8,745	4,952	76.6
Reserve deficit	**12,369**	**16,316**	**-24.2**

In the INDIVIDUA compartment, the fluctuation reserves are calculated for each pension fund individually. In 2024, the target values ranged from 12.20% to 15.30%.
They are created from the surplus income / expenses as of the end of the year.

The Foundation itself does not possess any fluctuation reserves.

6.4 Presentation of the investments according to investment categories

Risk distribution of the investments

PRO compartment

	31.12.2024 CHF 1,000	in %	Strategy in %	Ranges in %	31.12.2023 CHF 1,000	in %	Strategy in %
Money market	607,409	13.3	6.0	1.00–30.00	831,811	19.0	5.0
Loans and mortgage loans	163,353	3.6	4.0	0.00–10.00	195,711	4.5	3.0
Domestic and foreign bonds in CHF	549,164	12.1	7.0	0.00–15.00	331,545	7.6	5.0
Global bonds in FC	227,167	5.0	4.0	0.00–10.00	222,451	5.1	5.0
Global bonds in FC, hedged	–	–	4.0	0.00–10.00	226,831	5.2	7.0
Swiss equities	473,773	10.5	12.0	0.00–18.00	281,240	6.5	10.0
Global equities	498,216	11.0	16.0	0.00–24.00	361,329	8.3	16.0
Alternative investments	613,749	13.6	14.0	0.00–25.00	609,191	14.0	15.0
Infrastructure investments (unleveraged)	138,051	3.1	6.0	0.00–10.00	111,775	2.6	2.0
Swiss real estate	1,252,492	27.7	27.0	10.00–35.00	1,172,305	27.0	32.0
Intermediate total	**4,523,374**	**100.0**	**100.0**	**–**	**4,344,189**	**100.0**	**100.0**
Amounts due from employers	92,263	–	–	–	–	–	–
Other Swiss amounts due	11,116	–	–	–	–	–	–
Assets held in transit	4,503	–	–	–	–	–	–
				–			
Total assets	**4,631,256**	**–**	**–**	**–**	**–**	**–**	**–**

Total restrictions pursuant to the OPO 2	31.12.2024 CHF 1,000	in %	OPO 2 in %	31.12.2023 CHF 1,000	in %	OPO 2 in %
Investments in claims secured by real estate liens pursuant to Article 55a of the OPO 2	**163,353**	3.61	50.00	195,711	4.42	50.00
Investments in equities pursuant to Article 55b of the OPO 2	**971,989**	21.49	50.00	642,569	14.50	50.00
Investments in real estate pursuant to Article 55c of the OPO 2	**1,252,492**	27.69	30.00	1,172,305	26.45	30.00
— of which abroad	**–**	–	10.00	–	–	10.00
Alternative investments pursuant to Article 55d of the OPO 2	**613,749**	13.75	15.00	609,191	13.74	15.00
Investments in infrastructure pursuant to Article 55f of the OPO 2	**138,051**	3.10	10.00	111,775	2.52	10.00
Investments in foreign currencies without hedging pursuant to Article 55e of the OPO 2	**725,383**	16.00	30.00	583,780	13.17	30.00

The individual debtor restrictions set out in section 8 of the investment regulations have been complied with.

PULSE compartment

	31.12.2024 CHF 1,000	in %	Strategy in %	Ranges in %
Money market	1,207	5.4	5.0	1.00–20.00
Domestic and foreign bonds in CHF	5,533	24.9	20.0	0.00–35.00
Global bonds in FC	–	–	5.0	0.00–15.00
Swiss equities	5,480	24.6	25.0	0.00–30.00
Global equities	4,460	20.1	20.0	0.00–30.00
Swiss real estate	5,527	24.9	25.0	0.00–35.00
Intermediate total	**22,208**	**100.0**	**100.0**	**–**
Amounts due from employers	393	–	–	–
Other Swiss amounts due*	6,099	–	–	–
Total assets	**28,699**	**–**	**–**	**–**

* As a result of the opening of the PULSE compartment, there is a claim against the PRO compartment as of the reporting date amounting to CHF 5,993,000 (20.9% of total assets). The claim was settled in the first quarter of 2025. The money was immediately invested, meaning bandwidth compliance is once again ensured.

Total restrictions pursuant to the OPO 2	31.12.2024 CHF 1,000	in %	OPO 2 in %
Investments in claims secured by real estate liens pursuant to Article 55a of the OPO 2	–	–	50.00
Investments in equities pursuant to Article 55b of the OPO 2	9,941	44.66	50.00
Investments in real estate pursuant to Article 55c of the OPO 2	5,527	24.89	30.00
– of which abroad	–	–	10.00
Alternative investments pursuant to Article 55d of the OPO 2	–	–	15.00
Investments in infrastructure pursuant to Article 55f of the OPO 2	–	–	10.00
Investments in foreign currencies without hedging pursuant to Article 55e of the OPO 2	4,460	20.09	30.00

The individual debtor restrictions set out in section 8 of the investment regulations have been complied with.

INDIVIDUA compartment

	31.12.2024 CHF 1,000	in %
Money market	10,205	6.6
Loans and mortgage loans	4,500	2.9
Domestic and foreign bonds in CHF	14,630	9.6
Global bonds in FC	9,041	5.9
Global bonds in FC, hedged	–	0.0
Swiss equities	24,814	16.2
Global equities	19,888	13.0
Alternative investments	17,140	11.2
Infrastructure investments (unleveraged)	5,702	3.7
Direct real estate investments	6,084	4.0
Real estate funds	40,949	26.8
Intermediate total	**152,952**	**100.0**
Other Swiss amounts due	26	–
Prepaid expenses and accrued income	595	–
Assets from insurance contracts	–	–
Total assets	**153,574**	**–**

Total restrictions pursuant to the OPO 2	31.12.2024 CHF 1,000	in %	OPO 2 in %
Investments in claims secured by real estate liens pursuant to Article 55a of the OPO 2	**4,500**	2.94	50.0
Investments in equities pursuant to Article 55b of the OPO 2	**44,702**	29.23	50.0
Investments in real estate pursuant to Article 55c of the OPO 2	**47,033**	30.75	30.0
– of which abroad	**–**	–	10.0
Alternative investments pursuant to Article 55d of the OPO 2	**17,140**	11.21	15.0
Investments in infrastructure pursuant to Article 55f of the OPO 2	**5,702**	3.73	10.0
Investments in foreign currencies without hedging pursuant to Article 55e of the OPO 2	**28,929**	18.91	30.0

The individual debtor restrictions set out in section 8 of the investment regulations have been complied with.

6.5 Current (open) derivative financial instruments

The following open derivative positions existed as of 31 December 2024:

	Market value 31.12.2024 CHF 1,000	Contract volumes CHF 1,000	Commitment increasing CHF 1,000	Commitment reducing CHF 1,000
Forward exchange transactions in EUR, USD, GBP				
– Pos. replacement value	845	41,913	–	41,913
– Neg. replacement value	-16,606	627,483	–	627,483
Total forward foreign exchange transactions	**-15,761**	**669,396**	**–**	**669,396**

Derivative financial instruments are covered by the existing investments.

6.6 Open capital commitments

The following open capital commitments existed as of 31 December 2024:

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000
Forward exchange transactions in EUR, USD, GBP		
– Infrastructure	153,012	127,006
– Private equity	25,282	28,083
– Private debt	101,911	93,123
– Hedge funds	–	1,880
Total	**280,205**	**250,092**

6.7 Explanation of net investment result

	31.12.2024	31.12.2023
PRO compartment	**4.49%**	**2.11%**
Net result liquid assets and forward foreign exchange transaction	-49,592,472	18,138,533
Interest on loans and mortgages	4,623,232	5,389,740
Net result from bonds	16,297,631	20,373,889
Net result from equities	130,090,691	31,376,204
Net result from infrastructure investments	3,284,127	943,484
Net income from distributions	22,946,936	–
Net result from real estate (direct investments)	14,705,466	14,334,611
Net result from Swiss equities and real estate	35,732,316	35,706,283
Net result alternative investments	63,902,112	-507,949
Expenses for asset management	-41,120,467	-35,636,522
Interest expense on vested benefits	-5,696,401	-4,808,059
Interest on employer contribution reserves	-410,058	-342,890
Interest on non-committed funds of pension providers	-210,686	-184,364
Explanation of net investment result	**194,552,427**	**84,782,960**

	31.12.2024	31.12.2023
PULSE compartment	**8.16%**	**n/a**
Net result liquid assets and forward foreign exchange transaction	6,872	–
Net result from bonds	282,487	–
Net result from equities	1,098,798	–
Net result from Swiss equities and real estate	186,954	–
Net result alternative investments	37,191	–
Expenses for asset management	-139,512	–
Interest expense on vested benefits	-11,455	–
Interest on amounts due from/liabilities to third parties	4,783	–
Interest on employer contribution reserves	-2,492	–
Interest on non-committed funds of pension providers	-784	–
Net investment result	**1,462,842**	**–**

	31.12.2024	31.12.2023
INDIVIDUA compartment (consolidated)	**5.16%**	**3.48%**
Net result liquid assets and forward foreign exchange transaction	-334,529	565,818
Interest on loans and mortgages	107,260	51,911
Net result from bonds	908,350	743,494
Net result from equities	4,002,535	1,576,066
Net result from infrastructure investments	227,210	161,678
Net income from distributions	455,808	–
Net result from real estate (direct investments)	6,132	363,202
Net result real estate funds	1,666,707	1,447,877
Net result alternative investments	1,637,113	628,758
Expenses for asset management	-1,358,434	-1,169,262
Interest expense on termination benefits	-58,892	-33,501
Explanation of net investment result	**7,259,260**	**4,336,043**

6.7.1 Administrative costs for investments

	Total Tellco pk 2024 CHF 1,000	in %	Total Tellco pk 2023 CHF 1,000	in %
Asset management fees on the institution level (TER costs)	9,254	0.19%	9,075	0.20%
Tax transaction costs (TTC)	480	0.01%	615	0.01%
Other costs (SC costs)	211	0.00%	–	0.00%
TER costs of cost-transparent collective investments	32,664	0.68%	27,116	0.59%
– of which TER costs for cost-transparent collective investments in alternative investments	12,481	0.26%	11,165	0.24%
– of which TER costs from performance fees for cost-transparent collective investments in alternative investments	5,138	0.11%	2,899	0.06%
– of which TER costs for cost-transparent collective investments in real estate	6,226	0.13%	5,732	0.13%
– of which TER costs of other cost-transparent collective investments	8,819	0.18%	7,320	0.16%
Total	**42,619**	**0.89%**	**36,806**	**0.80%**
Total investments	**4,808,430**	**100.00%**	**4,575,423**	**100.00%**
Cost-non-transparent investments	–	–	–	–
Cost-transparent investments – cost transparency ratio	**4,808,430**	**100.00%**	**4,575,423**	**100.00%**

TER costs:	Namely management fees, custody fees, fund administration fees and performance fees
TTC costs:	Transaction costs such as brokerage fees, issuing and redemption commissions and taxes (stamp duties)
SC costs:	Costs for external investment controlling, among others

6.7.2 Non-transparent investments

None.

6.8 Explanation of the investments with the employer and the employer contribution reserves

6.8.1 Explanation of the investments with the employer

On the one hand, there were premium account amounts due from affiliated companies totalling CHF 92,655,348 (previous year: CHF 78,661,640) as of 31 December 2024. A total of 871 companies (previous year: 744) with arrears of CHF 19,576,470 (previous year: CHF 14,656,433) are in a terminated relationship. Contribution payments are past due in these cases. On the other hand, there are allowances for amounts due that are in doubt of CHF 9,620,155 (previous year: CHF 8,134,025).

6.8.2 Explanation of the employer contribution reserve

In addition to premium account obligations to affiliated companies of CHF 20,979,668 as of 31 December 2024, there are employer contribution reserves of 444 employers. The contribution reserves trended as follows:

	2024 CHF 1,000	2023 CHF 1,000
Without renunciation of use		
As of 1 January	35,543	35,261
Deposits	5,394	5,717
Transfers to supplementary insurer	-1,432	-691
Use for employer contribution payments	-5,961	-5,086
Use for deposits in savings capital	–	–
Interest 1.25% (previous year: 1%)	410	343
As of 31 December	**33,955**	**35,543**

7. Explanation of additional items on the balance sheet and operating statement

7.1 Composition of the contributions

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000	Change in %
Savings contributions	358,242	357,252	0.3
Risk contributions	62,081	63,484	-2.2
Administrative cost contributions	12,793	12,689	0.8
Uniform contributions	8,427	8,299	1.5
Total contributions	**441,543**	**441,725**	**0.0**

7.2 General administrative costs

7.2.1 General administrative costs

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000	Change in %
General administrative costs	14,568,176	14,434,562	0.9
Auditor and pension actuary	149,481	295,572	-49.4
Supervisory authority	61,212	76,676	-20.2
Marketing and advertising costs	10,072,844	9,858,519	2.2
Broker and brokerage expenses	8,586,147	9,204,288	-6.7
Total	**33,437,860**	**33,869,618**	**-1.3**

7.2.2 General administrative costs per change

	31.12.2024 CHF	31.12.2023 CHF	Change in %
Number of active insured persons from 01.01. – 31.12. (including enrolments and exits)	294,500	296,470	-0.7
Number of pension beneficiaries from 01.01. – 31.12. (excluding child's pensions)	4,772	4,422	7.9
Total number of beneficiaries in the reporting year	**299,272**	**300,892**	**-0.5**
General administrative costs per change in the reporting year	**112**	**113**	**-0.7**

7.3 Non-technical provisions

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000	Change in %
As of 1 January	2,191	2,251	-2.7
Allocations (+)/withdrawals (-) taxes on property gains	-1,621	-60	103.7
As of 31 December	**570**	**2,191**	**-74.0**

The non-technical provisions only include deferred taxes on property gains.

7.4 Transfer of coverage capital of INDIVIDUA pension beneficiaries

Due to a change of system, the coverage capital of INDIVIDUA pension beneficiaries was processed in the operating statement as both departures and enrolment lump sums. The transfer of vested benefits and the coverage capital from INDIVIDUA did not result in any outflow of funds.

8. Conditions of the supervisory authority

8.1 Audit of the annual financial statements

The reporting for 2021 was acknowledged, without any comments on the annual financial statements, by way of a ruling dated 13 October 2023.

8.2 Further conditions

By ruling of 25 April 2022, the OPA and foundation supervisory authority for Central Switzerland (*Zentralschweizer BVG- und Stiftungsaufsicht – ZBSA*) nullified the transfer by Tellco pk to a pension foundation of a portfolio of pensioners drawing old age, survivors' and invalidity benefits. The Foundation was ordered to reverse the transfers to pension beneficiaries.

The case is currently under review.

9. Further information relating to the financial situation

9.1 Measures to remedy underfunding

As of 31 December 2024, neither the PRO nor PULSE compartment nor any INDIVIDUA pension fund (previous year: 0) had a coverage ratio of less than 100%.

9.2 Pledge of assets

The following custody account was pledged as collateral for derivative financial instruments:

	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000
Tellco Bank Ltd	**98,174**	**102,240**

9.3 Ongoing legal proceedings

There is currently one legal case ongoing before the Swiss Federal Administrative Court (*Bundesverwaltungsgericht*). This is the same case referred to under point 8.2. Potential rescission would not have any major financial impact on Tellco pk.

9.4 Contingent liabilities for the benefit of third parties

None.

10. Events after the balance sheet date

There are no known events following the balance sheet date that would have a material effect on the annual financial statements.

05

Auditor's report

Report of the statutory auditor

to the Foundation Board of Tellco pk, Schwyz

Report on the audit of the financial statements

Opinion

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

In our opinion, the financial statements (pages 9 to 47) comply with Swiss law, the Pension Fund's deed 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 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.

Foundation Board's responsibilities for the financial statements

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

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

The Foundation Board 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 for 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 article 52c para. 1 let. a of the Swiss Occupational Pensions Act (OPA). In accordance with article 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.

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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, other than pension liabilities and actuarial reserves evaluated by the expert in occupational benefits.

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

We have assessed whether

- the organization and management comply with the legal and regulatory requirements and whether an internal control exists that is appropriate to the size and complexity of the foundation;
- 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 duties of loyalty are fulfilled and interests are disclosed;
- 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 issued to the supervisory authority;
- the Pension Fund's interests are safeguarded in disclosed transactions with related entities.

The regulatory provisions for investments in the money market were exceeded for one pension fund in the reporting year and were also not complied with on the balance sheet date (see note 6.2 of the annual financial statements).

For one pension fund, the regulatory provisions for investments in alternative investments were not complied with in the reporting year. Nor were they complied with on the balance sheet date (see disclosure in Note 6.2 of the financial statements).

We confirm that the applicable legal, statutory and regulatory requirements have been met except for the matter regarding investments described in the preceding paragraph.

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

PricewaterhouseCoopers AG

Marco Tiefenthal	Brian Bauhart
Licensed audit expert Auditor in charge	Licensed audit expert

Basel, 12 May 2025

Imprint

Tellco pk	Annual financial statements 2024
Publisher	Tellco pk

The German text is authoritative.

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