



CIEPP

Caisse Inter-Entreprises
de Prévoyance Professionnelle

ZKBV - Zwischenbetriebliche Kasse für Berufliche Vorsorge
CIPP - Cassa Interaziendale di Previdenza Professionale

CIEPP CIRCULAR

February 2020

2019, a remarkable year for the CIEPP!

Interest of 3% paid for 2019

After an excellent year 2019, the interest rate attributed on the whole of the retirement savings capital (accumulated at the end of the previous year) of active persons insured as at 1 January 2020 will be **3%**. This rate is 2% higher than the LPP minimum interest rate (1%) set by the Federal Council.

The key factors that have enabled the Board of Trustees of the CIEPP to take this decision and redistribute a substantial part of the performance achieved are the following:

- **A highly positive investment performance**

In 2019 the institution achieved an investment performance of **nearly 12%**. This represents its best performance since 2009, the first year of recovery from the financial crisis. This result was obtained thanks to a revaluation of all the asset classes in which the Fund is invested. Accommodating monetary policies, the absence of recession despite a slowdown in the economies and negative bond yields in Europe and Japan contributed to increasing share values by over 26%.

As a reminder, CIEPP's investment policy, focused on the long term, consists in investing regularly its net fund revenues and rebalancing its assets on an annual basis, which in 2019 enabled it to fully exploit the rise in the financial markets. The governance, which made it possible to apply the planned strategy, and the very low asset management costs also contributed significantly to the result obtained.

- **Funded status¹**

The CIEPP's funded status is once again on the rise. **It should exceed 118% at the end of 2019** (as against 110.2% in 2018 and 119.5% end 2017). It will be audited and communicated definitively in the 2019 annual report published next June.

- **Policy of balanced distribution focused on the long term**

For many years the CIEPP has applied a redistribution policy that enables it to have a balance between active insured, pensioners and the institution's sustainability in the long term. The 12th edition of our magazine Bleu Horizon last December contains an explanation of this policy in detail, as well as of the decision-making process.

Over the past three, five and ten years the average interest paid amounted to 2.33%, 2.30% and 2.35% (respectively 1.33%, 1.10% and 0.87% higher than the LPP minimum rate). Furthermore the golden rule - the fundamental principle of the LPP, stipulating that the interest rate should be equal to the nominal growth of salaries or inflation - was respected during these periods (this has also been the case since 1985, the date the LPP came into force).

In comparison with our peers, our pension institution consistently ranks in the top table!

• Solid and managed growth

Year after year, the CIEPP, the largest private-law foundation in Western Switzerland with assets exceeding 7.75 billion francs, continues to grow and increase its market share. At the end of 2019, it managed the occupational retirement plans of 9 918 companies and self-employed individuals (+1.51%), i.e. 45 442 persons insured (+3.17%). The number of pensioners benefiting was 6 243 (+8.16%). In 2019, contributions billed amounted to over 387 million francs (+2.65%).

Insurance certificate and interest 2020

The certificate issued and sent out in parallel with this circular shows the situation on your retirement account as at 31 December 2019, as well as the estimated benefits calculated on the basis of an interest rate of 1% as per the Ordinance on Occupational Old Age, Survivors' and Disability Benefit Plans (OPP2). An explanatory note «How to read my insurance my certificate» is available on the website www.ciepp.ch.

For the year 2020, the Board of Trustees of the CIEPP has set the interest rate at 1% (same rate as the LPP minimum). The rate effectively attributed on the retirement accounts of active persons insured in the Fund as at 1 January 2021 will be established definitively in January 2021, on the basis of the results recorded by the CIEPP during the year 2020.

New regulations for partial or total liquidation

The Board of Trustees of the CIEPP has approved new regulations for partial or total liquidation, approved on 2 October 2019 by the regulatory authority ASFIP. These new regulations came into force with retroactive effect on 1 January 2019. They incorporate recent developments in the relevant jurisprudence. We will be glad to send you a copy on request. For any further information, our legal department is at your disposal.

New consulting doctor

At its meeting of 20 December 2019 the Board of Trustees of the CIEPP approved the appointment of Dr Bernard Greder as consulting doctor of the CIEPP.

Contact

For any information or update of your data, the administration department of the headquarters or our agencies remain at your disposal.

Glossary

¹Funded status: this makes it possible to calculate the degree of financing for all the Fund's commitments at a given time.

Agencies

Bulle	Rue Condémine 56	1630 Bulle	T 026 919 87 40
Fribourg	Rue de l'Hôpital 15	1701 Fribourg	T 026 350 33 79
Neuchâtel	Av. du 1 ^{er} Mars 18	2001 Neuchâtel	T 032 727 37 00
Porrentruy	Ch. de la Perche 2	2900 Porrentruy	T 032 465 15 80

Headquarters

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