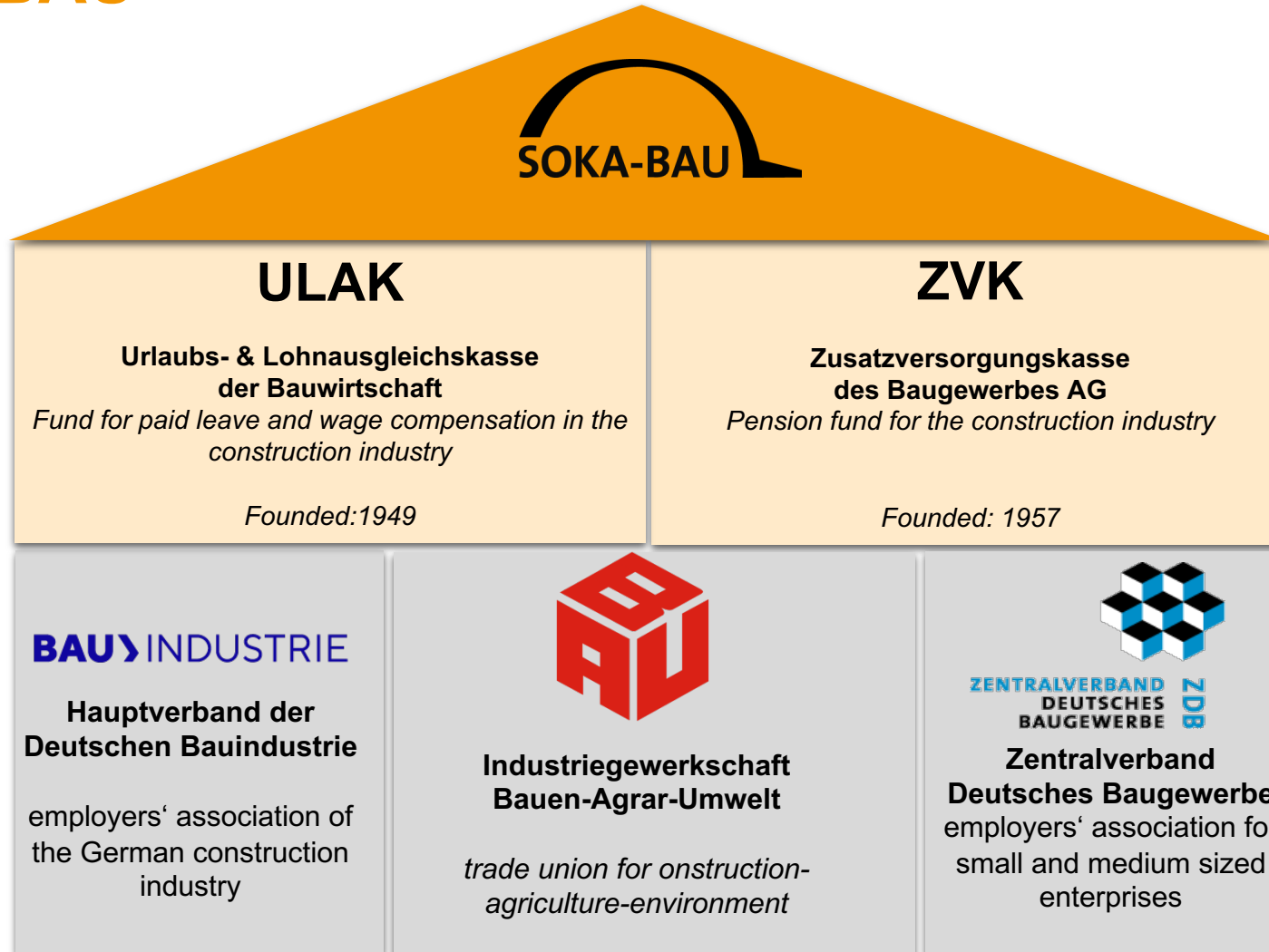




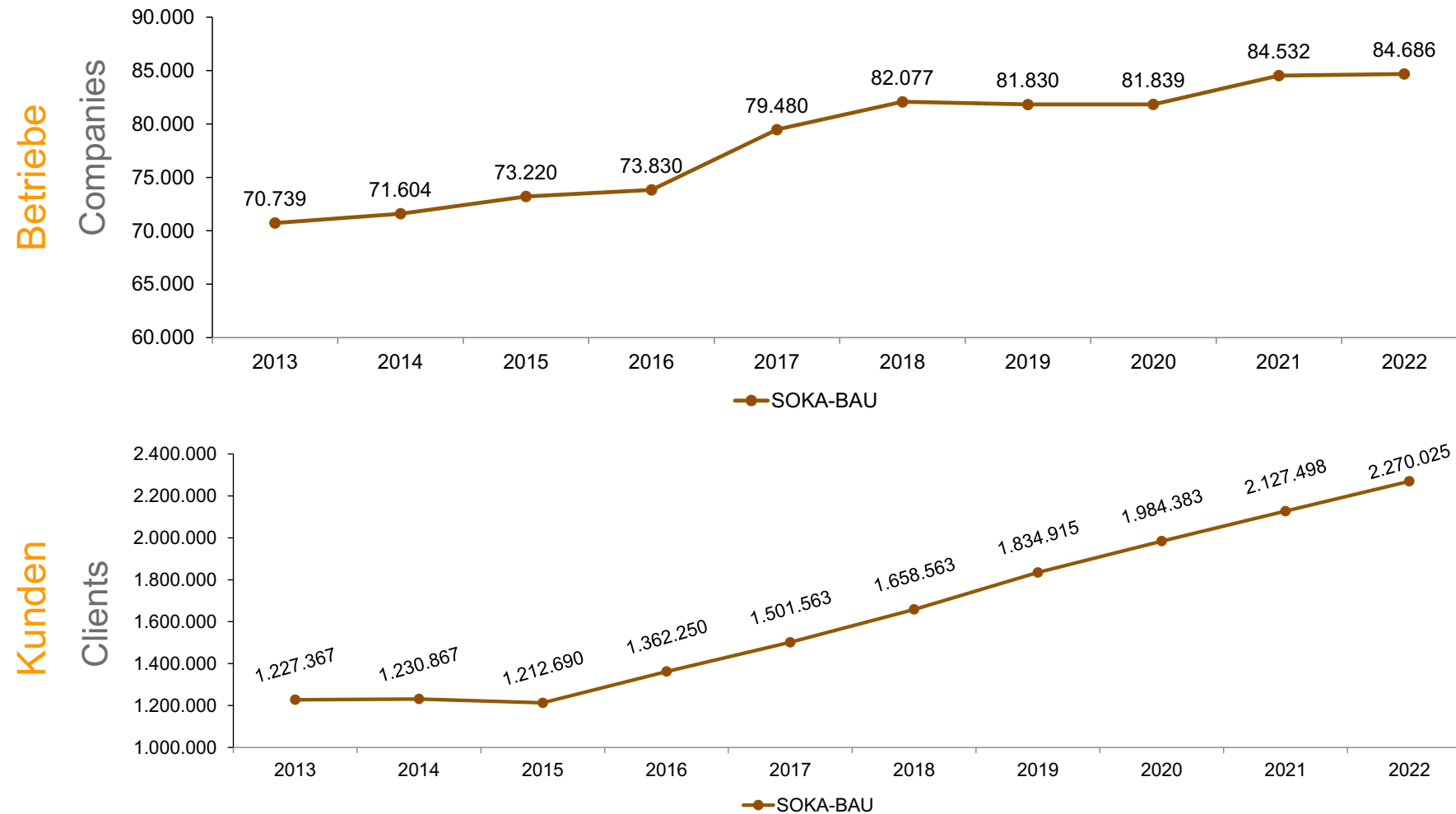
## Pension fund solvency

WORLD PENSION ALLIANCE AND TRANSATLANTIC  
CONFERENCE  
Christoph Kiehn

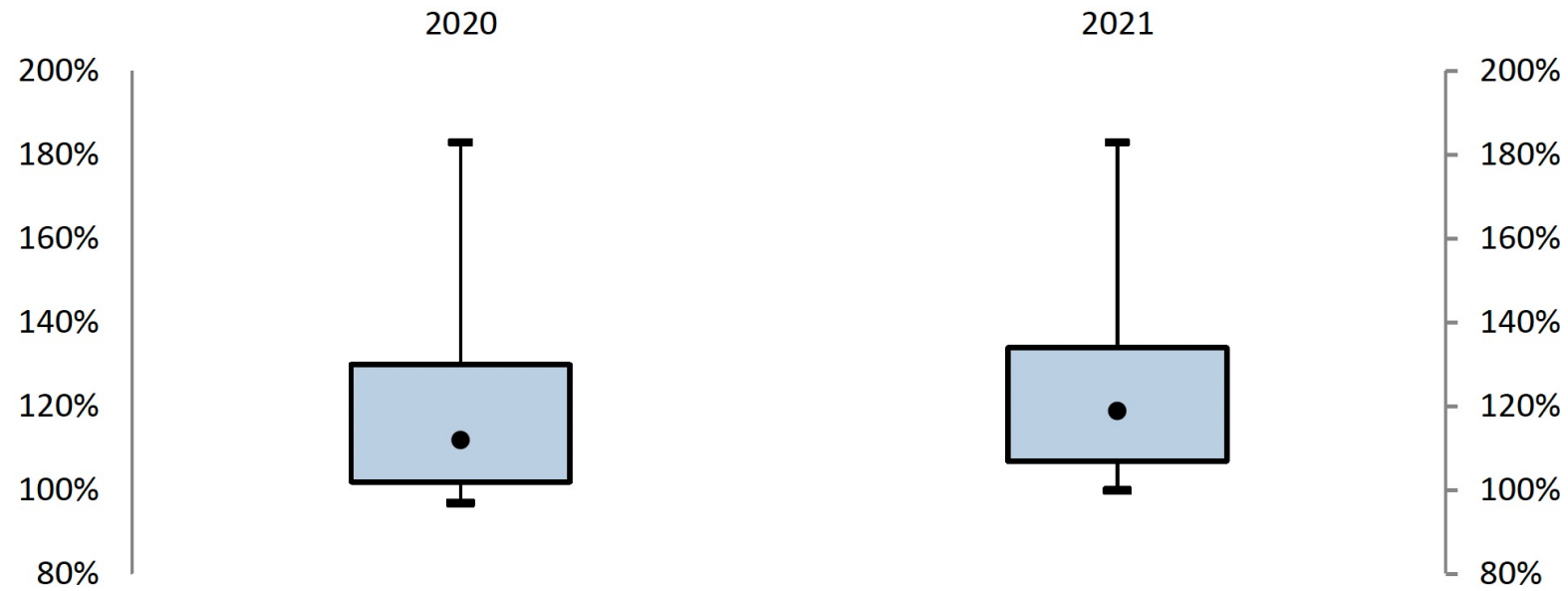
# SOKA-BAU



## SOKA-BAU – general figures

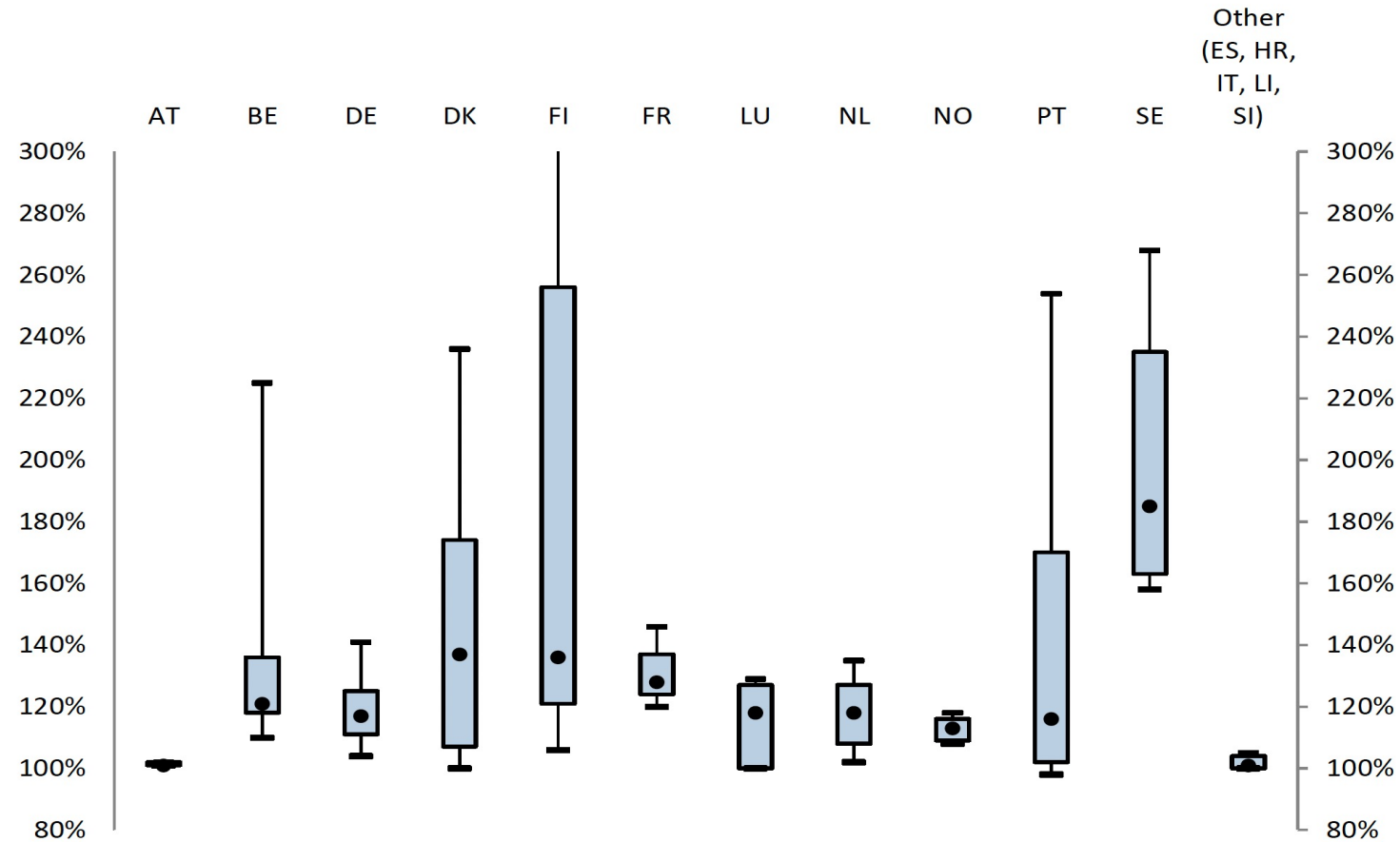


# Funding ratios of DB schemes



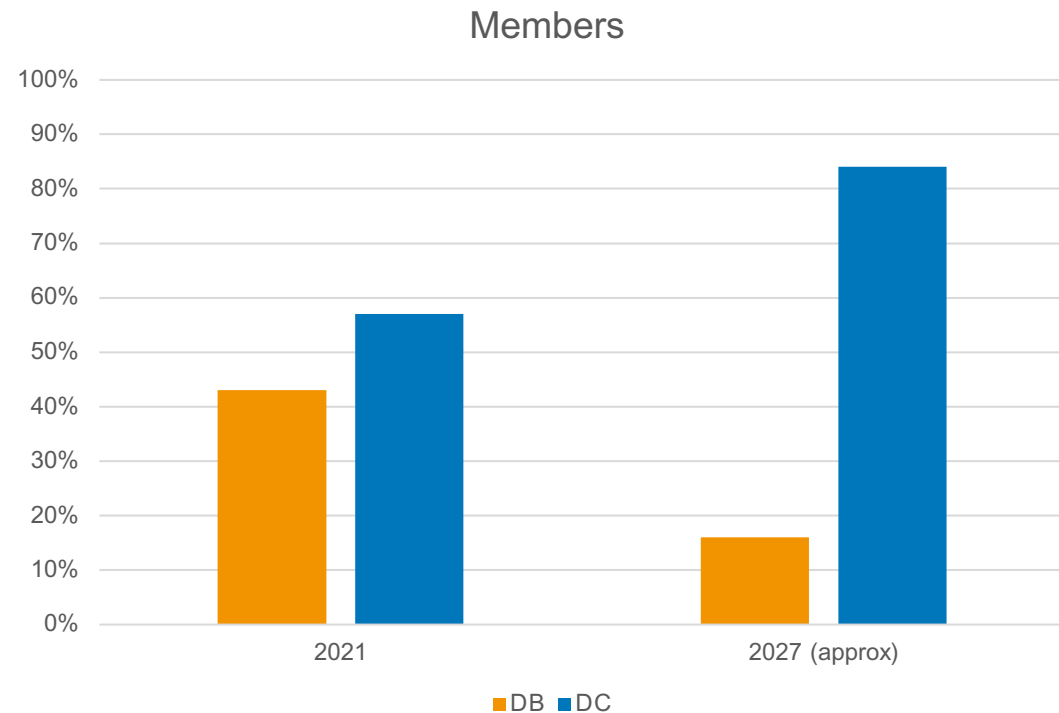
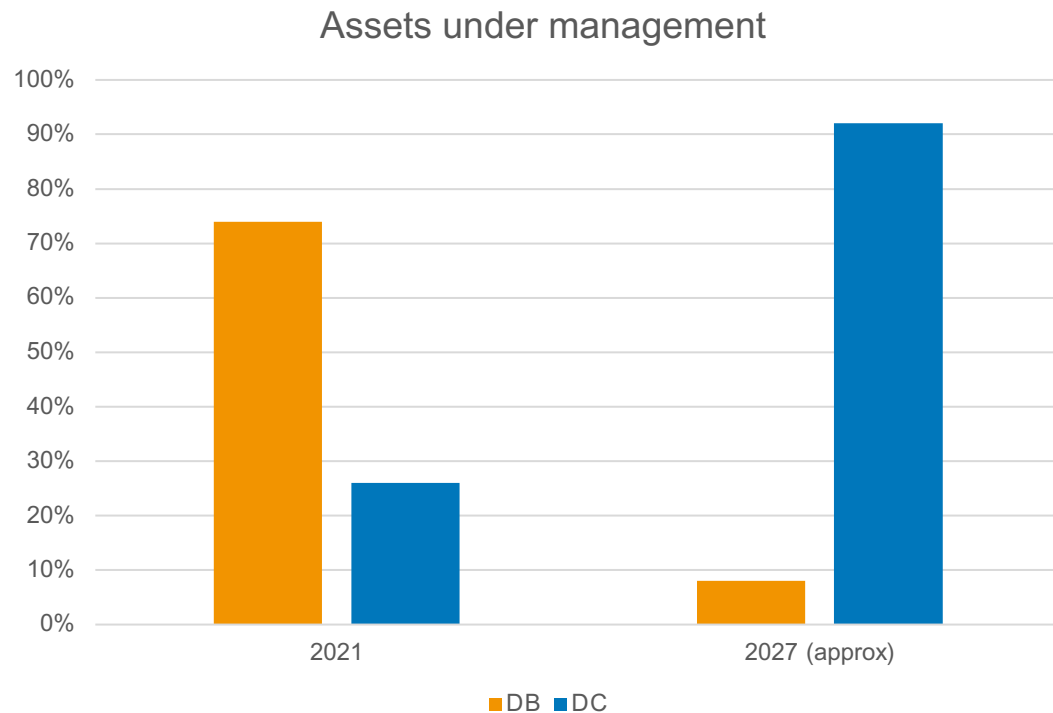
Source: Consultation paper on technical advice for the review of the IORP II Directive, March 2023

## Country specific funding ratios

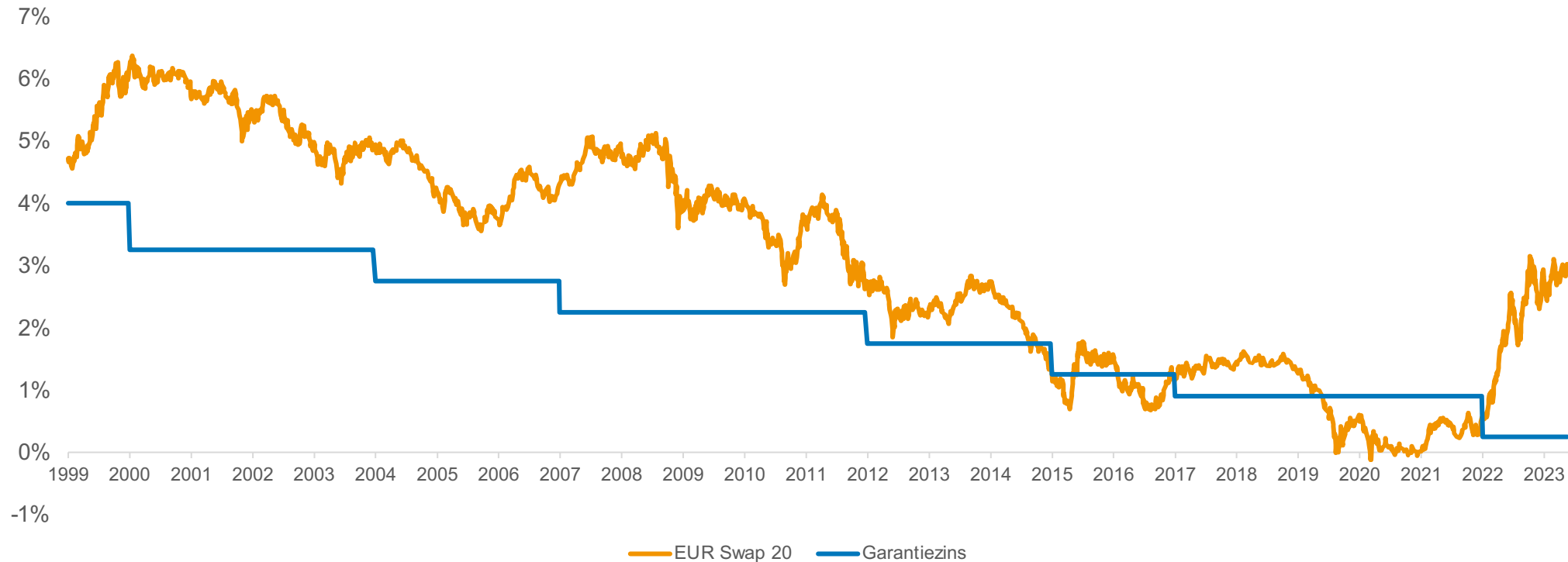


Source: Consultation paper on technical advice for the review of the IORP II Directive, March 2023

## Shift from defined benefit (DB) to defined contribution (DC) schemes



## Guaranteed interest rate – German IORPs



- Guaranteed interest rates have been falling in line with the market level for over 30 years
- Rising rates over the last two years take the pressure off

# Pension stress test in 2022

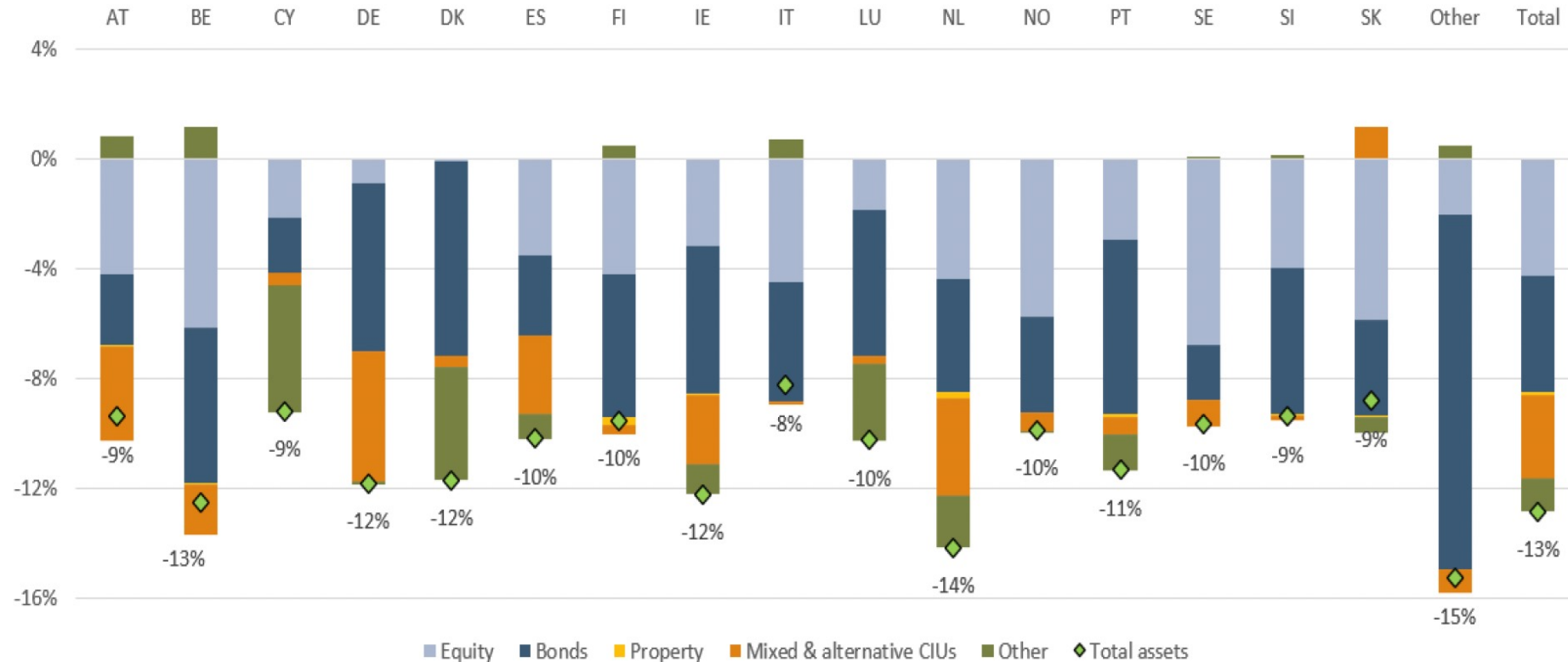
|                             | IMPACT OF CLIMATE CHANGE SCENARIO |                |        |
|-----------------------------|-----------------------------------|----------------|--------|
|                             | PRE-STRESS                        | POST-STRESS    | IMPACT |
| <b>TOTAL ASSETS - CBS</b>   | 1.985 trillion                    | 1.730 trillion | -12.9% |
| <b>FUNDING RATIO* - CBS</b> | 119.9%                            | 117.0%         | -2.9pp |
| <b>FUNDING RATIO* - NBS</b> | 122.7%                            | 120.2%         | -2.5pp |

\*defined benefit schemes

Source: Consultation paper on technical advice for the review of the IORP II Directive, March 2023



## Results of the latest European stresstest – asset classes



Source: Consultation paper on technical advice for the review of the IORP II Directive, March 2023