

Insuree Update No. 43

18 September 2017

Dear insuree,

The key points in brief

- Peter Graf, our long-standing Chairman of the Board of Trustees, stepped down on 31 August 2017.
- Roland Etter took up the office of Chairman on 1 September 2017.
- The results of the Basel election are now in.
- The Foundation posted a good performance of 5.9% as of 31 August 2017.
- We remind you again of the new conversion factors, valid as of 1 January 2018, the cushioning measures for individuals born in or before 1960, and the special rules for beneficiaries with “night-work credits / shift-based leave”.
- Information regarding Pension Reform 2020 will follow later.

Changes to the Board of Trustees

Change of Chairman

There was an important change in the membership of the Board of Trustees as of 1 September 2017. Our long-standing Chairman Peter Graf stepped down on 31 August 2017. He is succeeded by Roland Etter, who took up his new position on 1 September 2017.

A sincere thank-you to Peter Graf

Peter Graf was nominated as Chairman of the Board of Trustees on 27 November 2002, at the very first meeting of the Board of Trustees of the Swissport Company Pension Fund Foundation (PVS). The PVS itself was duly established on 15 September 2003.

Under Peter Graf’s management the foundation deed was produced, as well as the business and organisational regulations, pension fund regulations, investment regulations, election regulations and the contracts with external service providers, all in 2003.

After the affiliation contracts with the former Swissair companies were terminated by the pension funds APK and KV on 31 December 2003, the newly founded PVS commenced its real work under the management of Peter Graf.

The foundation started in 2004 with 2,884 beneficiaries (no pensioners), foundation capital of CHF 415 million, and a funding ratio of 100%.

By the end of 2016, foundation assets totalled CHF 813 million with a funding ratio of 114.2%. By then the 4,186 beneficiaries included 663 pensioners.

Peter Graf led the PVS with great dedication and expertise for more than 15 years, chairing 75 meetings of the Board of Trustees. He attached particular importance to detailed preparations for these Board meetings. In this way it was possible to successfully address the many issues at each day session. For decisions which directly affected the insurees (such as the conversion factors) he always managed to strike a good balance between the interests of the foundation and those of the insurees, making sure that the insurees had sufficient time to prepare for any changes and to adjust to them.

Keeping the beneficiaries properly informed was another issue close to his heart. By sending out 42 circular letters to the beneficiaries and providing annual information events in Basel, Geneva and Zurich, he ensured they were always up to date and answered their questions in person.

In his thorough forewords to the annual reports he provided readers with a detailed summary of the previous year from the standpoint of the PVS.

He also ensured that the beneficiaries were always able to access the latest PVS documents via the website. His summaries of selected press articles about occupational pensions and the circumstances of Swissport were made available on the PVS website for a number of years.

In this way Peter Graf not only looked after the larger picture but also attended to every detail however small with a great deal of commitment. He made a decisive contribution to the good situation that PVS finds itself in today. The Board of Trustees would like to take this opportunity to thank Peter Graf for his many years of conscientious service and hard work, which contributed to the long-term success of the PVS. His willingness to build up and maintain the necessary skills in the Board of Trustees provided the basis for today's Board with its highly expert membership and strong sense of responsibility.

A warm welcome to Roland Etter

Roland Etter succeeds Peter Graf as employer's representative and Chairman of the Board of Trustees with effect from 1 September 2017.

Roland Etter was born in 1956, has been married for 34 years and has two grown-up children. His hobbies include sports (playing and spectating) and travel.

He began his career in 1974 as an air traffic apprentice at Swissair. After several years in the passenger service in Zurich he was appointed instructor for the global passenger service. In 1992 he transferred to Boston for four years as Swissair Station Manager.

After one year as managing director of INTERPLAN AVIATION SA (now Checkpoint Schweiz AG), he took up the position of Head of Training at Swissport Zurich in 1997. From 2000 onwards he worked in the executive management team of Swissport Zurich for 13 years, spending the last 7 years as director of the passenger service.

At the end of 2013 he transferred to the position of CEO of Swissport Finland in Helsinki. After nearly four years in Finland he returned to Switzerland at the end of August.

He has now taken up his position at the Swissport Company Pension Fund with effect from 1 September 2017.

We offer a very warm welcome to Roland Etter to the Board of Trustees, and wish him every success and satisfaction in this challenging position.

Change of employees' representative for the Basel location

The employees' representative René Meier had to resign, unfortunately, at the end of January 2017 for health reasons. We are sorry to hear of his resignation and we thank him for the interest he showed in our PVS.

This led to re-elections at the Basel location, to find a successor for the term of office until 30 June 2019. All contributing insured employees at the Basel location were eligible to vote.

Sibylle Fricker (BSH) and Christian Goepfert (BSOP) both stood for election with Christian Goepfert winning by 131 votes to 38 based on a voter turnout of 37.2%. We congratulate Christian Goepfert, who took up his new position on 1 July 2017, and also extend our thanks to Sibylle Fricker for standing for election and thus demonstrating her commitment to our common goals.

Financial situation of the Foundation as at 31 August 2017

The Foundation's investments posted an excellent performance of 5.9% for 2017. The key figures are shown below:

As at	31.08.2017	31.12.2016
Total assets (CHF m)	857.85	812.96
Actuarial capital and technical provisions (CHF m)	711.71	704.92
▪ of which actuarial capital for active insurees	405.53	401.65
▪ of which actuarial capital for pension recipients	295.72	292.81
▪ of which technical provisions	10.46	10.46
Fluctuation reserve (CHF m)	130.24	100.31
Non-committed funds (CHF m)	11.27	0.00
Funding ratio	119.9%	114.2%
Net investment performance	5.89%	5.25%

The figures as of 31 August 2017 are taken from the Foundation's MIS and have not yet been audited.

Conversion factors as of 1 January 2018, reminder

At its meeting on 20 June 2016, the Board of Trustees approved the conversion factors to be applied from 1 January 2018. We provided you with detailed information about this in Insuree Update No. 40 of 24 June 2016 and in our information for beneficiaries in May 2017. We are taking this opportunity to remind you of the situation again.

- The new conversion factors will come into effect on 1 January 2018, as stated in Appendix I of the Pension Fund Regulations. They apply to persons who enter retirement from 1 December 2017 onwards whose pension starts on 1 January 2018 or later.

Age of insuree	Pension entitlement for spouse/long-term partner	No pension entitlement for spouse/long-term partner
58	4.64	5.18
59	4.73	5.31
60	4.84	5.45
61	4.94	5.59
62	5.06	5.75
63	5.18	5.91
64	5.32	6.08
65	5.46	6.27

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- In order to benefit from the current conversion rates, an insuree must retire no later than 30 November 2017 with a pension start date of 1 December 2017 at the latest.

Age of insuree	Pension entitlement for spouse/long-term partner	No pension entitlement for spouse/long-term partner
58	5.01	5.57
59	5.10	5.70
60	5.21	5.84
61	5.32	5.99
62	5.44	6.15
63	5.56	6.32
64	5.70	6.50
65	5.84	6.69

- Cushioning measures are being applied for individuals born in or before 1960. A slightly higher conversion rate will apply to these persons when taking retirement from 1 January 2018 onwards. The conversion factors are as follows:

Age of insuree	Pension entitlement for spouse/long-term partner	No pension entitlement for spouse/long-term partner
58	4.76	5.31
59	4.85	5.44
60	4.96	5.58
61	5.07	5.72
62	5.19	5.88
63	5.31	6.05
64	5.44	6.22
65	5.58	6.41

- The existing conversion factors will still apply to all employees with nightwork credits after 1 December 2017, provided that the corresponding agreement on retirement with nightwork credits is agreed irrevocably and in writing with the employer before 30 November 2017 and that the employee begins taking the relevant nightwork credits by no later than 1 December 2017.

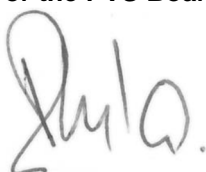
You will find the Pension Fund Regulations and Appendices on our website (www.pv-swissport.ch).

Pension Reform 2020

At the time of this Update being finalised by the Board of Trustees, at its meeting on 18 September 2017, the decision concerning the Pension Reform 2020 had not yet been made. Consequently, no further information is provided in this Update. We will inform about possible impacts in the next bulletin.

With best regards,

For the PVS Board of Trustees



Margrit Coimbra
Deputy Chairman



Elisabeth Müller
Managing Director