

Insuree Update No. 42

24 May 2017

Dear insuree,

The Board of Trustees of Personalvorsorge Swissport / PVS has approved the fund's 2016 annual financial statements.

The key points in brief

- Funding ratio 114.2% as at 31 December 2016 and 118.0% as at 30 April 2017
- Low administration and asset management costs
- Information events scheduled in Basel, Geneva and Zurich
- New divorce law

Information events in Zurich, Basel and Geneva

The Board of Trustees and management of the PVS cordially invite you to attend one of the forthcoming information events. We will hold presentations about the 2016 financial statements and answer your questions about the pension fund.

- Information event in **Basel** (in German)
Foxtrot-Golf Room, Business Center, EuroAirport Basel
Tuesday, 30 May 2017 at 13:30
- Information event in **Geneva** (in French)
Press Room, Geneva International Airport
Wednesday, 31 May 2017, at 14:30
- Information event in **Zurich** (in German)
Hercules Room (A2-456), Terminal 1, 2nd floor
Friday, 2 June at 14:00

The presentations will also be uploaded to our website (www.pv-swissport.ch) under 'Publications' => 'Information' shortly before the information events start.

Q&A sessions after the information events

After communicating the information to you, we will be answering "selected" questions about Pillars 1 and 2 and also about the statement of benefits. We will be happy to answer any questions you may have.

2016 annual financial statements

The Board of Trustees has unanimously approved the 2016 annual financial statements. These have been audited by the independent auditor KMPG AG, Zurich. The statements will soon be available in English, French and German on the website under Publications => Further publications. For reasons of cost, we will once again not be distributing a printed version of the annual report.

The key figures for financial year 2016 are shown below:

As at	31.12.2016	31.12.2015
Total assets (CHF m)	812.96	773.51
Actuarial capital and technical provisions (CHF m)	704.92	677.57
▪ of which actuarial capital for active insurees	401.65	408.54
▪ of which actuarial capital for pension recipients	292.81	255.65
▪ of which technical provisions	10.46	13.37
Fluctuation reserve (CHF m)	100.31	89.95
Profit/loss (CHF m)	10.36	-12.71
Funding ratio	114.2%	113.3%
Net investment performance	5.25%	0.49%
Interest paid on active insurees' retirement savings	2.00%	2.00%
Interest paid on actuarial reserves for pensions	2.50%	3.00%
Administration costs per capita (CHF)	244	237
Active insurees	3,523	3,819
Pension recipients	610	548

The total asset management costs amounted to 0.20% of total assets (prior year: 0.20%). This means that PVS still has very low asset management costs for a pension fund.

PVS primarily invests in indexed investment vehicles with low management costs. The fund has also joined forces with other pension funds managed by PFS AG in order to negotiate asset management agreements with low fees with the larger banks. The fees are calculated on the basis of the combined assets of all the funds involved. Each fund's assets are managed separately and all investments comply with the instructions from the relevant Board of Trustees.

Having achieved an investment performance of 5.25%, PVS is one of the pension funds with the highest returns in 2016.

As at end-April 2017, PVS achieved a return of 3.90% for the year to date. The funding ratio is 118.0% as at the end of April 2017. The current monthly funding ratios can be found in the "Performance" section of our website.

New divorce law

The new divorce law is intended to improve pension compensation in the event of divorce. The general rule is still that vested benefits built up while the couple were married are shared equally. However, the date used for the calculation is now that of the start of introductory proceedings rather than, as was formerly the case, the date on which the divorce decree became effective in law. The benefits are now also split even if one spouse has already retired or is receiving a disability pension.

The change in the law requires pension funds to provide a great deal of information:

- they are obliged, for example, to notify the Pillar 2 Central Office of all holders of pension assets on a regular basis. This information enables divorce courts to check that all pension assets have been split.
- Where benefits are transferred, a married insuree must be informed of the vested benefits acquired with effect from the date of marriage. Where pension compensation is transferred, the amount of the minimum BVG retirement assets must now also be reported.
- In the event of an insuree's divorce, the pension fund must also give the insuree, and, if it so requests, the court, a comprehensive account of the insuree's position as regards pension provision.

At its meeting on 17 February 2017, the Board of Trustees amended the Pension Scheme Regulations in line with the new divorce law and implemented these with retrospective effect from 1 January 2017.

At the same time, the Board of Trustees renewed the purchasing tables appended to the Pension Scheme Regulations. These tables now depend on the savings plan selected. The new tables are to be found in Appendices II and III to the Pension Scheme Regulations.

The new Pension Scheme Regulations have been published on our website (www.pv-swissport.ch/en) under Publications => Information.

Sincerely,

For the PVS Board of Trustees



Peter Graf
President of the Board of Trustees



Elisabeth Müller
Managing Director