

Insuree Update No. 44

1 December 2017

Dear insuree,

In Update No. 42 dated 24 May 2017, we informed you of the results of the 2016 annual financial statements and provided you with important information about the new divorce law. We would like to thank all those who attended one of our information events for their interest in our Foundation.

In Update No. 43, we notified you of the changes in the Board of Trustees and the Chairmanship and informed you of the Foundation's current financial situation.

Updates Nos. 42 and 43 and the presentation slides from June 2017 can be found on our homepage under "News" or "Publications".

The key points in brief

- Funding ratio as at 31 October 2017: 122.2%
- Investment performance from 1 January to 31 October 2017: +8.16%
- Interest on savings capital in 2017: 4.5%
- Personal purchases may be made until **15 December 2017** → **deadline**
- Selection of 2018 pension plan by **29 December 2017** → **deadline**
- Attractive mortgage offering

2017 investment results

At its meeting on 15 November 2017, the Board of Trustees discussed the investment results of the first ten months of the current year.

With the exception of liquidity and mortgages, all asset classes generated positive returns as at 31 October 2017. The greatest performance drivers were equities, which delivered double-digit performance. Currently, equity valuations are higher than they were prior to the financial crisis. It remains to be seen how long these high valuations will persist. There is likely to be a correction at some point, for which the PVS has created fluctuation reserves in the amount of 18.3% of total assets.

The return as at 31 October 2017 was a pleasing 8.16%. As at the date of the meeting, we are assuming a return that is 0.46% below that of 31 October 2017, i.e. a return of 7.70%.

The **provisional funding ratio** as at 31 October 2017 was 122.2%. Assuming a zero return in the months of November/December, this figure would be 121.9% taking into account the BVG interest rate of 1%.

The current monthly funding ratios can be found in the "Performance" section of our website, www.pv-swissport.ch.

Interest rate

In October 2017, the Federal Council left the minimum interest rate for mandatory occupational pensions unchanged at 1.0% for 2018.

At its meeting on 15 November 2017, the Board of Trustees defined the interest to be paid on active insureds' retirement savings in 2017 based on the current valid guidelines for setting the interest rate.

It made the following decisions on the interest rate for the next calendar year and the projected interest rate. Below is an overview:

Category	Percentage	Explanations
Interest on retirement savings for 2017	4.5%	As in the previous year, this interest rate will be applied to your entire retirement savings . Insureds who leave the Foundation or retire during the year will be charged the interest in arrears. Amounts below CHF 50 shall remain in the pension fund.
2018 interest rate	0.0%	Insureds who leave the Foundation or retire during the year will be charged the interest rate for the calendar year; any subsequent payments shall be made after the decision on interest rates at the end of 2018.
Projected interest rate from 2019	1.5%	The projected interest rate shall remain unchanged for the projection of future retirement benefits found on your statement of benefits under "projected benefits" (for retirement, disability and death).

The exceptionally good annual result and full coverage of the fluctuation reserves mean that the interest rate granted is the highest in the history of the PVS.

Pension adjustments

The Board of Trustees will not be increasing pensions from 1 January 2018. This decision is based on current inflation and the Federal Council's decision to leave pensions unchanged in 2018.

Currently, pension recipients receive the technical interest rate of 2.5% on their actuarial reserves plus an additional 0.5%.

2018 pension plans – same threshold figures

All threshold figures are based on the annual maximum AHV pension for a single person. Since this shall remain unchanged in 2018 at CHF 28,200, the benchmark figures shall also remain the same:

Entry threshold for basic insurance CHF 21,150
 Maximum coordination amount CHF 14,100
 Entry threshold for supplementary insurance CHF 105,750

Details on pension plans can be found on our homepage under "Publications \ Regulations".

Choice of pension plan

→ **deadline**

This year, you once again have the option of choosing between the Standard and Standard Plus pension plans on 1 January 2018. If you would like to change plans, please complete the enclosed form in full and return it your HR department by **29 December 2017 at the latest**.

Personal purchases

→ **deadline**

If you are planning to make a personal purchase into the PVS for 2017, we will be happy to provide you with the required forms in advance. In order for us to be able to process your purchase by the end of the year, we ask that you initiate the bank transfer by **15 December 2017 at the latest** (value date).

We would like to point out that you will be unable to make any lump sum withdrawals from the PVS for a period of three years following a personal purchase. If there is anything about which you are uncertain, we recommend that you contact the relevant tax authorities.

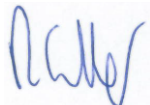
Mortgages

The Board of Trustees is maintaining its strategy of offering insurees of the PVS and third parties variable and fixed-rate mortgages at very attractive terms. Our mortgage advisor, Ms Sophie Bovier, will be happy to answer your questions and provide information on current interest rates. You can reach Ms Bovier on 043 210 18 38 or by e-mail at sophie.bovier@pfs.ch.

The Board of Trustees wishes you happy holidays and all the best for the New Year.

With best regards,

For the PVS Board of Trustees



Roland Etter

President of the Board of Trustees



Elisabeth Müller

Managing Director

Appendix: "Choice of pension plan" form

Choice of pension plan savings option

(Only active insurees who are at least 25 years old can choose their savings rate)

Dear insuree,

Once again, we are offering you a choice of two savings rates – the “**Standard**” and the “**Standard Plus**” options – for your employee’s retirement savings contributions for the coming year. Your choice will enter into effect on 1st January 2018.

If you choose the “**Standard Plus**” option, your employee’s savings contributions will amount to 7.5% or 9% of your insured salary.

The employer’s contributions are the same for both options.

- If you would like your employee’s savings contributions to remain at their current savings rate, you **need not take any action**.
- If you wish to **change** your current savings rate, please **complete this form in full and return it to your company’s Human Resources unit** (and **not** to Personalvorsorge Swissport!) **by 29th December 2017**.

I wish to

- increase** my employee’s savings contributions to 9% with the “**Standard Plus**” option
*(or to 7.5% if I am in the **25-34 age group** and work in Zurich or am based in Switzerland and have an individual contract of employment)*
- reduce** my employee’s savings contributions to 6% with the “**Standard**” option
*(or to 2.8% if I am in the **25-34 age group** and work in Zurich or am based in Switzerland and have an individual contract of employment, or to 3.25% if I am in the **25-34 age group** and am employed by SBS AG)*

from 1st January 2018.

I understand and accept that the above change will remain valid for at least one calendar year.

Last and first name

Comail designator

Employee number

Place and date

Insuree’s signature

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