

2019 annual financial statements and financial results for spring 2020

03 July 2020

Dear Member,

The turbulent corona times have also had an impact on Personalvorsorge Swissport's activities. Alongside the 2019 annual financial statements, it is of fundamental importance for the Board of Trustees to keep an eye on the various developments and to guide the Foundation smoothly through the turbulence.

The key points in brief:

- This spring, the PVS Board of Trustees' attention centred on the corona crisis. Various scenarios were discussed and resolutions on measures to be taken were passed during a large number of telephone conferences.
- Investment performance at the end of May 2020 stood at minus 2.9%.
- PVS's coverage ratio stood at 112.3% at the end of May 2020. This is 4% less than at the beginning of the year.

Annual Report 2019

As every year, the full annual report for 2019, a very pleasing financial year, has been published on PVS's website. It contains all details on the facts and figures relating to the 2019 financial year.

www.pv-swissport.ch Publications Annual Report

Impact of the corona crisis on PVS

Here are the main considerations by the Board of Trustees:

Swissport:

The Board of Trustees simulated and assessed various scenarios (from bankruptcy on the part of Swissport through to complete recovery by the end of 2020) and their impact on PVS. The scenarios were narrowed down over time, and today the Board of Trustees is assuming that Swissport will survive but air traffic will only see a very slow recovery. We are, however, keeping the other scenarios ready to hand.

Investments:

In March, the share markets panicked in reaction to the corona crisis. At the markets' lowest point in mid-March, PVS's investments lost some 9% (approx. CHF 80 million) of their value. The very rapid recovery afterwards surprised even the specialists. Nobody can predict how sustainable this recovery will be. PVS benefited from higher share prices until the end of May. A second corona wave, recession or company bankruptcies may have a negative impact on shares, bonds, and ultimately also real estate prices, in the future.

PVS's Investments:

On the basis of the aforementioned scenarios, the Board of Trustees decided to reduce the level of investment risk. Consequently, the partial market recovery was used to reduce the portion of shares from 29% to 19%, and gold (3%) appears as a counterweight in PVS's portfolio for the first time.

The Board of Trustees wishes to generally adhere to the investment strategy decided upon in 2019 and will review in spring 2021 at the very latest the corrective measures now implemented.

The exact investment allocations can be found under "Performance" on PVS's website www.pv-swissport.ch.

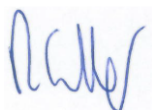
The Board of Trustees is convinced that the measures described will increase PVS's stability and that we are also well prepared for the coming turbulence.

Individual contributions by active participants

Even during the crisis and reduced working hours, the employee and employer contributions were always transferred on time to the pension fund. The amount of the contributions corresponds to the savings contributions paid during normal employment. This means that the retirement capital in PVS for each individual also grew at the same rate in 2020 as it would have grown without corona and reduced working hours.

The Board of Trustees wishes all beneficiaries a speedy return to normality and a great summer. Stay safe!

For the PVS Board of Trustees



Roland Etter
Chairman



Elisabeth Müller
Manager