



Annual accounts 2021

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Foreword

2021 was also dominated by the COVID-19 pandemic. The volume of work at the founding company Swissport was around 50% of the volume of the "normal" year 2019. Our active beneficiaries were mostly on short-hours work and the number of active participants in our fund fell from 3509 at the beginning of 2021 to 3013 at the end of the year. An early retirement programme led to a greater increase in the number of pensioners than in normal years, from 845 to 939.

The changes in the terms of employment agreed between Swissport and the employees' associations at the end of 2020 also had an impact on Swissport Employee Pension Scheme. The most striking change concerned the retirement age in Swissport companies, which was raised to the statutory 64 years for women and 65 years for men, as well as the start of the savings process from the age of 20 (previously age 25).

The contribution split was changed from 60/40 to 50/50, the contribution percentages were adjusted and the amount of the coordination deduction was reduced. The reduction in the coordination deduction has resulted in a marked improvement, especially for part-time employees.

The Swissport Employee Pension Scheme took the opportunity to make changes to the regulations. A new set of pension regulations and, based on this, three pension plans were created: The basic plan for employees on a monthly salary, the additional plan and the basic plan for employees on an hourly wage.

At the locations in Basel, Geneva and Zurich (including Swissport Baggage Sorting), the changes came into force on 1 June 2021 and at Swissport International headquarters, GVAssistance, Swissport Executive Aviation and for employees with individual contracts the change was implemented on 1 January 2022. Thus, from 1 January 2022 all of the affiliated companies of the PVS will have a uniform set of rules, a novelty in the 18-year history of our fund.

The decrease in the number of active participants prompted the Board of Trustees to clarify in various meetings the question of whether the criteria for a partial liquidation were fulfilled. In November, the Board of Trustees came to the conclusion that the criteria for partial liquidation are not fulfilled for the following reasons:

- a) The reduction of the number of insured persons was voluntary, there were no redundancies. These voluntary departures, which were within the scope of normal fluctuation, could not be replaced. Replacing voluntary departures would have been in contradiction of the principle behind short-hours work. It was not possible to hire people in advance and register them for short-hours work.
- b) Less than 10% of the pension capital of the active insured persons has been withdrawn.
- c) The free funds reported in the autumn months do not take into account the influence of the adjustment of the technical interest rate and actuarial bases, the interest on retirement assets and the effects of a possible adjustment of the reserve for fluctuations in asset value. After taking these factors into account, there are no more free funds and thus nothing to distribute.
- d) All employees who left the companies during the coronavirus years were paid interest on their retirement assets at the same rate as the remaining employees until their date of departure (2021: 5%).

Investments:

The strategy adapted at the beginning of the coronavirus crisis was continued in 2021. The reduced equity exposure in spring 2020 meant that the PVS did not benefit as much from the bull market in the equity markets. However, the above-average income from real estate (6.8%) helped to achieve a very good annual return of 7.1%.

Interest on retirement capital:

Based on this annual return and also in view of the fact that many active beneficiaries will suffer salary losses in 2020 and 2021 due to short-hours work, the Board of Trustees decided to pay interest on the retirement assets at 5%. This is the highest interest since founding of the PVS.

Actuarial principles and coverage ratio:

The actuarial bases were adjusted to the current circumstances in 2021: The PVS uses the new "BVG 2020, generation tables" – bases and lowered the technical interest rate from 2% to 1.5%.

With a coverage ratio of 120.1 %, the PVS was in a very good position at the end of 2021. The fluctuation reserves were 99% of the target value (CHF 160,323,116). This allows the PVS to face upcoming uncertainties in its investments calmly.

Outlook:

The first months of 2022 have shown that other events besides COVID-19 are shaking the world. The slump in the equity markets caused by the Ukraine crisis led to a weakening of the PVS coverage ratio to 117.3% (as at the end of February 2022).

Inflation is a reality in many countries and interest rate hikes by central banks are to be expected. Not least, against this background the Board of Trustees is discussing a model that will also allow pensioners to participate in future high returns. This is not an easy topic, since the public discussion has been dominated for years by the redistribution from the active participants to pensioners. In view of the threat of inflation, however, solutions must be found to reduce the loss of purchasing power without upsetting the pension fund.

I would like to thank all of those involved for their creative ideas, intensive discussions and positive cooperation in 2021. The PVS can count on a functioning team that will also tackle the challenges of the future with a lot of momentum.

Roland Etter

Chairman of the Board of Trustees

2021 annual financial statements

BALANCE SHEET	Index	31/12/2021	31/12/2020
	Note	CHF	CHF
ASSETS			
Investments	6.4	962,830,149	947,122,926
Liquidity and money market investments		5,654,586	78,053,106
Receivables from employers	6.10	2,089,506	2,495,372
Receivables from third parties	7.1.1	2'251'703	2,896,440
CHF bonds		111,249,593	122,253,377
Foreign currency bonds, rest of world		45,801,527	45,161,401
Foreign currency corporate bonds, ex Switzerland		24,078,387	24,829,523
USD bonds (incl. currency hedges)		36,242,550	33,208,730
Emerging market bonds		7,524,450	7,995,883
Mortgages	6.4.1	65,655,500	67,708,500
Swiss equities		107,180,296	87,720,221
European equities (incl. currency hedges)		51,491,681	11,087,585
Pacific equities (incl. currency hedges)		12,625,826	11,831,417
Sustainable equities (incl. currency hedges)		90,688,233	70,996,511
Emerging market equities		11,235,662	11,250,335
Swiss real estate	6.8.1	360,262,381	339,165,462
Private equity		1,326,300	1,326,300
Commodities		27,471,968	29,142,763
Prepayments and accrued income	7.1.2	9,379,766	8,626,097
Total assets		972,209,915	955,749,023
LIABILITIES			
Liabilities		14,251,447	6,673,721
Termination benefits		11,096,532	5,707,044
Lump sum payments		3'084'189	880,820
Other liabilities	7.1.3	70,726	85,857
Accrued liabilities and deferred income	7.1.4	213,505	246,615
Pension liabilities and actuarial reserves		797,627,444	808,452,272
Active participants' liabilities	5.3	363,108,854	421,636,265
Pensioners' liabilities	5.5	416,905,590	375,737,114
Actuarial reserves	5.6	17,613,000	11,078,893
Reserve for fluctuations in asset value	6.3	160,117,519	140,376,415
Dotation capital, non-committed funds/underfunding		0	0
Total liabilities		972,209,915	955,749,023

OPERATIVE ACCOUNT	Index Note	2021 CHF	2020 CHF
Ordinary and other contributions and transfers-in		28,634,572	37,356,137
Employee savings contributions		10,448,827	11,088,691
Employer savings contributions		12,853,609	15,284,330
Employee risk contributions		2,178,672	2,349,683
Employer risk contributions		2,182,752	2,358,327
One-time payments and purchase amounts	7.2.1	965,836	5,263,570
Contributions to actuarial reserves	7.2.7	0	1,011,536
Contributions to the Security Fund		4,876	0
Entry lump sum transfers		4,618,150	5,572,108
Termination benefit transfers		3,879,166	4,593,081
Reimbursements of withdrawals for home ownership/divorce	7.2.2	738,984	979,028
Inflow from contributions and entry lump sum transfers		33,252,722	42,928,245
Regulatory benefits		-47,780,899	-27,070,955
Retirement pension benefits		-19,417,755	-18,296,841
Survivors' pensions		-786,818	-770,380
Disability pensions		-1,044,640	-1,109,625
Children's benefits	7.2.3	-250,894	-302,326
Lump sum payments on retirement		-24,730,044	-6,522,723
Lump sum payments on death or disability		-1,543,828	-69,060
Lump-sum payments on death of pensioner		-6,920	0
Termination benefits		-39,105,833	-26,229,442
Termination benefits for leavers		-37,488,920	-24,551,488
Withdrawals for encouragement of home ownership/divorce	7.2.4	-1,616,913	-1,677,954
Outflow for benefits and withdrawals		-86,886,733	-53,355,116
Change in pension liabilities, actuarial reserves and contribution reserves		10,824,828	93,489
Decrease/increase in active participants' liabilities	5.3	77,495,304	-2,600,471
Increase in pensioners' liabilities	5.5	-41,168,476	-5,898,790
Contributions to/release of actuarial reserves	5.6	-6,534,107	12,661,328
Interest on retirement savings capital	5.3	-18,967,893	-4,068,578
Income from insurance benefits		1,075,759	1,236,745
Insurance cost		-2,415,014	-2,663,203
Risk premium		-2,151,744	-2,436,313
Cost premium		-106,590	0
One-time payments to insurance schemes		0	-54,719
Contributions to Security Fund		-156,680	-172,171
Net result of insurance activities		-44,148,439	-11,705,120

	Index Note	2021 CHF	2020 CHF
Net return on investments	6.8.2	65,143,631	23,385,478
Income from liquidity and money market investments		-209,719	48,989
Income from CHF bonds		-2,585,024	1,491,618
Income from foreign currency bonds, rest of world		1,116,950	46,657
Income from foreign currency corporate bonds, ex Switzerland		-510,116	1,506,658
Income from USD bonds (incl. currency hedges)		1,108,367	2,422,772
Income from emerging market bonds		-394,771	-2,628,332
Income from mortgages		696,171	666,736
Income from Swiss equities		20,160,841	2,481,893
Income from European equities (incl. currency hedges)		5,876,331	-2,640,682
Income from Pacific equities (incl. currency hedges)		1,203,759	-1,664,022
Income from sustainable equities (incl. currency hedges)		17,575,612	4,935,387
Income from emerging market equities		56,760	-3,349,799
Income from Swiss real estate	6.8.1	24,219,127	19,653,503
Income from private equity		38,065	37,402
Income from commodities		-1,647,305	2,035,681
Investment management costs	6.9	-1,496,422	-1,566,667
Interest on termination benefits		-64,994	-92,317
Other income		3,068	6,287
Other expenses	7.2.5	-296,175	-296,175
Administration expenses	7.2.6	-960,981	-1,063,222
General administration		-811,277	-930,469
Auditor and actuary		-128,889	-111,438
Supervisory authorities		-20,815	-21,315
Income surplus before increase in reserve for fluctuations in asset value		19,741,104	10,327,248
Increase in reserve for fluctuations in asset value	6.3	-19,741,104	-10,327,248
Income surplus/expense surplus		0	0

The figures shown are mathematically rounded. The total may therefore vary from the sum of the individual figures.

Note

1 General information and organisation

1.1 Legal form and purpose

The Swissport Employee Pension Scheme (“PVS”) is a foundation within the meaning of Article 80 ff. of the Swiss Civil Code (ZGB), Article 331 of the Swiss Code of Obligations (OR) and Article 48(2) of the Swiss Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision (BVG). It was established by Swissport International AG. The foundation has its registered office at the domicile of Swissport International AG in Glattbrugg, and is subject to statutory supervision.

PVS's objective is to provide an occupational pension scheme within the framework of the Swiss Federal Act on Old Age, Survivors' and Invalidity Pension Provision (BVG) and its implementation provisions to insure the personnel of the founding company and companies closely economically or financially linked to it, as well as their dependants and survivors against the economic consequences of old age, death and disability.

1.2 BVG registration and registration with the Security Fund

In accordance with the declaratory ruling of 24 February 2004, the pension scheme was entered in the Cantonal Register of Occupational Pension Schemes of the Canton of Zurich under register number ZH 1377 with effect from 1 January 2004. The pension fund is subject to the Vested Benefits Act and is thus affiliated to the Security Fund.

1.3 Plan statutes and regulations

PVS was established through a public deed dated 15 September 2003 and was entered in the Commercial Register of Canton of Zurich on 14 November 2003.

Details of the regulations

Reglement	Verabschiedet am	Gültig ab
Vorsorgereglement ¹⁾	17.11.2020	01.01.2021
Anhang V 2.8% Vorsorgeplan „Basis“ für Swissport International AG Betrieb Zürich, Careport sowie für alle Versicherten mit Einzelarbeitsvertrag in der Schweiz ¹⁾	17.11.2020	01.01.2021
Anhang V 6.0% Vorsorgeplan „Basis“ für Swissport International AG, Betriebe Basel und Genève, PrivatPort und GVAssistance ¹⁾	17.11.2020	01.01.2021
Anhang V Vorsorgeplan „Basis“ für Swissport Baggage Sorting AG ¹⁾	17.11.2020	01.01.2021
Anhang VI Zusatzplan ¹⁾	17.11.2020	01.01.2021
Vorsorgereglement ²⁾	08.01.2021	01.06.2021
Vorsorgeplan Stundenlohn ²⁾	08.01.2021	01.06.2021
Vorsorgeplan Monatslohn ²⁾	08.01.2021	01.06.2021
Anhänge zum Vorsorgereglement ²⁾	08.01.2021	01.06.2021
Reglement Rückstellungen und Schwankungsreserven	25.11.2021	31.12.2021
Organisationsreglement	15.03.2016	01.04.2016
Wahlreglement	01.07.2014	01.07.2014
Anlagereglement	18.05.2020	18.05.2020
- Anhang I	18.05.2020	18.05.2020
- Anhang II	16.11.2018	01.12.2018
- Anhang III	19.09.2017	01.10.2017
Teilliquidationsreglement	24.11.2009	25.02.2010

- 1) The pension regulations and the pension plans valid as of 1 January 2021 are valid until 31.12.2021 for all insured persons with individual employment contracts from the affiliated companies
- Swissport International AG, Zurich operations, Zurich Airport, Canton of Zurich
 - Swissport International AG, Basel operations, Basel Airport, Canton of Basel-Stadt
 - Swissport International AG, Geneva operations, Geneva Airport, Canton of Geneva
 - Swissport Baggage Sorting AG
- as well as the companies
- Swissport International AG
 - Swissport Executive Aviation SA (previously PrivatPort S.A.), Meyrin GE
 - GVAssistance S.A., Le Grand-Saconnex, Canton of Geneva
- which have not switched to the new regulations/the new pension plans as of 1 June 2021.
- 2) In the pension regulations and the pension plans valid from 1 June 2021, the employees on the monthly and hourly wages of the following affiliations are insured, who are not insured in the supplementary pension plan valid from 1.1.2021:
- Swissport International AG, Zurich operations
 - Swissport International AG, Basel operations
 - Swissport International AG, Geneva operations
 - Swissport Baggage Sorting AG

Two regulations and pension plans are, therefore, valid up to and including 31.12.2021. As of 1 January 2022, all insured persons are subject to the same regulations/pension plans.

1.4 Supreme body, management and authorised signatories

As at 31 December 2021, the Board of Trustees comprises the following members:

Employer representatives		Employee representatives/ term of office 1 July 2019 – 30 June 2022		
Roland Etter	Chairman*	Christian Goepfert	Member*	
Heinrich-Josef Giesen	Member*	Ralf Mueller	Deputy	Chairman* from 1.11.2019
Peter Lamprecht ¹⁾	Member* 01/11/2019	from Matthias Schmidli ¹⁾	Member* from 01/07/2019	

¹⁾ Member of the Investments Committee

Management

Elisabeth Müller Managing Director*
 Claudia Sommer Customer Adviser
 Cécile Holdener Account Manager*

* Collective signatory authority with two signatures required

1.5 Actuaries, auditors, advisors, supervisory authority

Accredited pension actuary as defined by Article 53(2) BVG

Executing accredited pension actuary Livio Cathomen
 Contracting party

Mercer (Switzerland) SA, 8027 Zurich.

Auditors

KPMG AG, Badenerstr. 172, 8004 Zurich

Investment controller

Markus Schneider, PensionTools GmbH, Galtbergstrasse 1A, 8625 Gossau

Supervisory authority

Supervisory Authority for BVG Pensions and Foundations of the Canton of Zurich (BVS), Neumühlequai 10, 8090 Zurich

1.6 Affiliated employers

The following employers that are closely economically or financially linked to Swissport International AG are affiliated to PVS:

Swissport International AG, Headquarters, Opfikon ZH
 Swissport International AG, Zurich operations, Zurich Airport, Canton of Zurich
 Swissport International AG, Basel operations, Basel Airport, Canton of Basel-Stadt
 Swissport International AG, Geneva operations, Geneva Airport, Canton of Geneva
 Swissport Baggage Sorting AG, Kloten, Canton of Zurich
 Swissport Executive Aviation SA (previously PrivatPort S.A.), Meyrin GE
 GVAssistance S.A., Le Grand-Saconnex, Canton of Geneva

The insured persons of Swissport Group Services GmbH were transferred to Swissport International AG in Opfikon as a result of the merger. The company has been deleted from the commercial register.

2 Active participants and pensioners

2.1 Active participants

	Swissport International		Swissport Zurich		Swissport Basel	
	2021	2020	2021	2020	2021	2020
As at 1 January	140	107	1639	1861	489	529
Joined	36	59	43	119	44	50
Left	44	24	241	307	48	84
Retired	2	2	88	31	14	5
Newly disabled	1	0	0	1	1	0
Deaths	0	0	4	2	0	1
As at 31 December	129	140	1,349	1,639	470	489
of which risk insurance only	1	0	2	133	0	20
Retirement savings as at 31 December	33,233,179	41,472,900	171,261,074	200,198,304	43,136,485	44,796,796
of which BVG retirement savings as at 31 December	8,385,757	9,679,770	74,793,124	86,265,396	15,652,095	16,234,609

	Swissport Geneva		Swissport Baggage Sorting		Swissport Executive Aviation SA	
	2021	2020	2021	2020	2021	2020
As at 1 January	955	1,071	200	219	9	10
Joined	22	49	2	10	3	2
Left	109	150	26	24	-3	3
Retired	46	12	9	4	-1	0
Newly disabled	3	2	1	1	0	0
Deaths	0	1	1	0	0	0
As at 31 December	819	955	165	200	8	9
of which risk insurance only	1	37	0	8	1	1
Retirement savings as at 31 December	84,979,633	104,427,828	19,745,585	21,941,662	286,713	530,803
of which BVG retirement savings as at 31 December	35,197,685	42,904,590	9,954,275	11,269,028	115,716	269,071

	Swissport Group Services GmbH		Careport AG		GVAssistance S.A.	
	2021	2020	2021	2020	2021	2020
As at 1 January	0	62	0	50	77	94
Joined	0	6	0	1	2	8
Left	0	68	0	51	5	23
Retired	0	0	0	0	4	2
Newly disabled	0	0	0	0	0	0
Deaths	0	0	0	0	0	0
As at 31 December	0	0	0	0	70	77
of which risk insurance only	0	0	0	0	0	6
Retirement savings as at 31 December	0	0	0	0	7,937,981	8,267,972
of which BVG retirement savings as at 31 December	0	0	0	0	3,378,224	3,545,238

	Continued insurance Art. 47a BVG		Total PVS		Change as at previous year
	2021	2020	2021	2020	
As at 1 January	0	0	3,509	4,003	-494
Joined	4	0	156	304	-148
Left	1	0	477	734	257
Retired	0	0	164	56	-108
Newly disabled	0	0	6	4	-2
Deaths	0	0	5	4	-1
As at 31 December	3	0	3,013	3,509	-788
of which risk insurance only	1	0	6	205	-199
Retirement savings as at 31 December	2,528,204	0	363,108,854	421,636,265	-58,527,411
of which BVG retirement savings as at 31 December	644,014	0	148,120,890	170,167,702	-22,046,812

Breakdown by BVG age as at 31 December	Women		Men		Total	
	2021	2020	2021	2020	2021	2020
18 – 24	29	77	69	128	98	205
25 – 34	262	328	513	644	775	972
35 – 44	248	274	627	658	875	932
45 – 54	293	331	463	490	756	821
55 – 65	209	244	300	335	509	579
Total	1,041	1,254	1,972	2,255	3,013	3,509

The average age of all active participants is 42.9 (previous year: 41.7).

2.2 Pensioners

Pension or benefit type – no. of recipients	Women		Men		Total	
	2021	2020	2021	2020	2021	2020
Retirement pension benefits	314	260	456	415	770	675
Disability pensions	27	25	43	41	70	66

Spouse's pensions	35	35	8	8	43	43
Children's benefits	33	37	23	24	56	61
Total	409	357	530	488	939	845

Pension type – develop- ment	Total	Change		Total
	31/12/2021	New	Left	31/12/2020
Retirement pension benefits	770	98	3	675
Disability pensions	70	5	1	66
Spouse's pensions	43	0	0	43
Children's benefits	56	7	12	61
Total	939	110	16	845

In March 2020 the coronavirus began. There was no decision on the part of the affiliated companies to reduce staff or to restructure. All terminations were voluntary in nature. Option 21 (early retirement) was voluntary and not a decision for the purpose of staff reductions. There is no group that has transferred to another fund, meaning that there was no collective termination, only individual terminations. Therefore, at its meeting on 25. November 2021 the Board of Trustees came to the conclusion that the criteria for partial liquidation have not been fulfilled.

3 Implementation of objectives

3.1 *Explanation of the pension regulations and pension plans*

The PVS Pension Regulations consist of two parts, the pension regulations and the pension plans. The Pension Regulations regulate the general provisions of benefits, the principles of financing and contain other general provisions. The Pension Regulations ¹⁾ also regulate the amount of insured risk benefits.

Pension regulations/pension plans

All employees subject to the Swiss Federal Act on Old Age, Survivors' and Invalidity Pension Provision (BVG) are admitted to the pension scheme. In addition, on the basis of an annex to the Pension Regulations, those already externally insured as of 31 December 2020 have the option of remaining insured under external membership.

The regulatory benefits are based on the defined contribution and or defined benefit plan.

All employees subject to the BVG are insured for the risks of death and disability from 1 January after reaching the age of 17 and for retirement provision from 1 January after reaching the age of 24. This begins for persons pursuant to ²⁾ at the earliest after reaching the age of 19.

Entitlement to an ordinary retirement benefit arises after the age of 63 or, for insured persons ²⁾, after the age of 64 (women) or 65 (men). It is financed according to the defined contribution system. It is possible to draw retirement pension benefits prematurely from the age of 58 at the earliest. The retirement pension benefits may be drawn in the form of a one-off lump sum payment, a lifelong retirement pension or a combination of the two benefit types. The conversion rates for the retirement pensions depend on the age and marital status of the beneficiary.

The Foundation also provides benefits in the event of disability, death and termination from the Foundation. In the event of disability, it pays disability and disabled person's children's pensions, as well as exemption from contributions; in the event of death, it pays spouse's/life partner's pensions and orphans' pensions, as well as a lump-sum death benefit. The risk benefits are defined as a percentage of the insured salary (defined benefit). The insured salary is specified in the respective pension plan.

3.2 *Financing, financing method*

The Foundation collects savings and cost contributions. The savings contributions are used to finance the retirement credits, the cost contributions to finance the disability and death benefits and to cover the costs. The costs for the asset investments are provided from the Foundation's funds. The financing of both the savings and the cost contributions is regulated in the respective pension plan. As of 1 January 2022, the Board of Trustees has adopted new pension regulations and new pension plans.

3.3 *Further information on pension plan activities*

PVS has signed a service agreement with PFS Pension Fund Services AG for management and administration. The agreement applicable to this financial year expires at the end of 2022.

At its meeting on 25 November 2021, the Board of Trustees determined that current pensions will not be increased in line with inflation. This decision is justified by the values of the generational balance.

4 Significant accounting policies and valuation methods, consistency

4.1 Statement of compliance with Swiss GAAP FER 26

PVS's accounts are prepared in accordance with the guidelines of Swiss GAAP FER 26 as amended on 1 January 2014.

4.2 Significant accounting policies and valuation methods

The bookkeeping, accounting and valuation comply with the provisions of the Swiss Code of Obligations and the Swiss Federal Act on Old Age, Survivors' and Invalidity Pension Provision (BVG). The annual financial statements consisting of the balance sheet, operative account and notes present a true and fair view of the financial situation, within the meaning of the law on occupational pensions. The assets are valued as follows in the annual financial statements:

Investment category	Valuation method
Interest-bearing investments	
Liquidity and money market investments	Nominal value/market value
Receivables	Nominal value minus required value adjustment
CHF bonds	Market value
Foreign currency bonds, rest of world	Market value
Foreign currency corporate bonds, ex Switzerland	Market value
USD bonds	Market value
Emerging market bonds	Market value
Mortgages	Nominal value minus required value adjustment
Equities	
Swiss equities	Market value
European equities	Market value
Pacific equities	Market value
Sustainable equities	Market value
Emerging market equities	Market value
Swiss real estate	Market value
Alternative investments	Market value

Assets denominated in foreign currencies are translated at the exchange rate on the reporting date; expenses and income are translated at the respective daily exchange rate.

4.3 Changes in accounting policy and in bookkeeping

No changes in accounting policy were made.

5 Actuarial risks/risk benefit coverage/funding ratio

5.1 Type of risk benefit coverage, reinsurance

Personalvorsorge Swissport is a semi-autonomous pension fund. It has reinsured its risks for death and disability benefits in full since 1 January 2011. The current reinsurance cover up to end 2019 with PKRück Lebensversicherung für die betriebliche Vorsorge AG, Vaduz was not renewed. The final settlement of the retained earnings for the 2017 – 2019 accounting period was made on 11 January 2022. This shows that not all claims have yet been fully settled and that PKRück has, therefore, made a provision to ensure that it will continue to cover claims that have not yet been settled by PKRück. There is no IBNR deduction, but the cover for any IBNR cases from the contract period is retained.

The reinsured death and disability benefits are transferred by PKRück to PVS in the form of cash payments. As a consequence, PKRück does not hold any actuarial reserves for PVS's current pensions. Profit participation is calculated in accordance with the reinsurance contract concluded. It is credited to the operating result.

With effect from 1 January 2020, PVS has taken out full reinsurance with Zurich Insurance for the risks of death and disability for participants who have not yet reached the retirement age stipulated in the regulations; the agreement has a duration of three years. In the event of disability, it takes over the benefits until death or ordinary retirement. Death benefits are paid in the form of a pension or a lump sum.

This insurance was taken out with profit sharing. Profit participation is determined every three years based on a loss-dependent excess formula. If the contract is not cancelled, it continues to run for a further year.

5.2 Notes on assets and liabilities from insurance agreements

The actuarial reserves for the payments to be made by Zurich Insurance amount to CHF 230,113.80 at the end of 2021 (PY CHF 240,549.05).

5.3 Development and return on savings capital in defined contribution plans

	2021 CHF	2020 CHF
Savings capital as at 1 January	421,636,265	414,967,216
Decrease/increase in active participants' liabilities	-77,495,304	2,600,471
Employee savings contributions	10,448,827	11,088,691
Employer savings contributions	12,853,609	15,284,330
One-time payments and purchase amounts	965,836	5,263,570
Termination benefit transfers	3,860,043	4,552,509
Reimbursements of withdrawals for home ownership/divorce	738,984	979,028
Transfer of retirement savings capital of IV pension recipients	0	16,043
Increase in capital for payments pursuant to Article 17 FZG	0	0
Termination benefits for leavers	-37,488,920	-24,551,488
Withdrawals for encouragement of home ownership/divorce	-1,616,913	-1,677,954
Increase in compensation for reduction in conversion rate	0	15,223,518
Lump sum payments on retirement	-24,730,044	-6,522,723
Lump sum payments on death or disability	-1,543,828	-69,060
Decrease as a result of retirement, death or disability	-40,982,898	-16,985,993
Interest on retirement savings capital	18,967,893	4,068,578
Total active participants' liabilities on 31 December	363,108,854	421,636,265
Interest rate on all retirement savings	5.00%	1.00%
Interest rate on retirement savings pursuant to BVG	1.00%	1.00%

According to the pension fund regulations, the Board of Trustees can determine the interest rate for the retirement assets of active insured persons for the past year once the annual result becomes know. In the reporting year, an interest rate of 1% was taken into account for changes in staff levels during the year. The final decision

on the interest rate on retirement savings was taken at the meeting of the Board of Trustees on 25 November 2021. An interest rate of 5% was applied to all retirement savings in the reporting year (PY 1.00%).

5.4 Total retirement savings capital in accordance with the law on occupational pensions

	31/12/2021 CHF	31/12/2020 CHF
Total retirement savings	363,108,854	421,636,265
of which BVG retirement savings	148,120,890	170,167,702

The retirement savings of pending disability cases are included in these amounts.

5.5 Development of actuarial reserves for pensioners

	2021 CHF	2020 CHF
Actuarial reserves as at 1 January	375,737,114	369,838,324
Increase in pensioners' liabilities	41,168,476	5,898,790
Increase as a result of retirement, death and disability	40,982,898	16,985,993
Deposit of IV disability capital	19,123	40,572
Decrease as a result of pension payments	-21,500,107	-20,479,171
Transfer to savings capital of active participants	0	-16,043
One-time payments to insurance schemes	0	-54,719
Technical interest paid	7,926,427	7,455,754
Pension losses	0	3,241,437
Loss due to change in technical basis and technical interest rate	11,244,329	0
Actuarial loss (+) / profit (-)	2,495,806	-1,275,032
Total pensioners' liabilities as at 31 December	416,905,590	375,737,114

The "Increase as a result of retirement, death and disability" item is equal to the savings capital of new pensioners at the date of the event.

The following form of benefit was chosen for retirement, death and disability:

Retirement, death and disability and form of benefit	2021		2020	
	CHF	%	CHF	%
Savings capital upon retirement, death and disability	67,263,691		23,577,776	
of which pensions	40,982,898	61%	16,985,993	72%
of which withdrawn as a lump-sum payment	26,280,793	39%	6,591,783	28%

The breakdown of pensioners' liabilities by pension type was as follows on the balance sheet date:

Pensioners' liabilities	31/12/2021 CHF	31/12/2020 CHF	Change compared with previous year
Actuarial reserves for old-age pensioners	373,836,936	334,953,380	38,883,556
Actuarial reserves for disability pensions	25,602,515	23,620,760	1,981,755
Actuarial reserves for spouse's/life partner's pensions	15,730,896	15,366,216	364,680
Actuarial reserves for children's benefits	1,735,243	1,796,758	-61,515
Total pensioners' liabilities	416,905,590	375,737,114	41,168,476

The Board of Trustees has decided to undertake 10-year generational accounting so that the annual decision on adjustments to current pensions can be made on a sound basis. The generational accounting is intended to quantify the effective transfer of accumulated funds between the active participants and the pensioners. To this end, the difference between the interest on the savings capital of active participants and the technical

interest rate on pensioners' liabilities, is calculated and added to or subtracted from the previous year's balance. Any further potential transfers between the active participants and pensioners are not recognised in the accounting.

A negative generational accounting balance indicates a transfer of accumulated funds in favour of pensioners and means that the current pensions cannot be adjusted until this transfer amount has been offset. As at 31 December 2021, this balance was still negative.

5.6 Composition of, development of and explanation regarding actuarial reserves

Composition Actuarial reserves	31/12/2021 CHF	31/12/2020 CHF	Change compared with previous year
Provision for special events	658,000	967,433	-309,433
Provision for the conversion rate	16,955,000	10,111,460	6,843,540
Total actuarial reserves	17,613,000	11,078,893	6,534,107

The provision for special events as at 31.12.2021 to the amount of CHF 658,000 corresponds to the difference between the accounting of Careport pensioners with the technical interest rate of 1.5% and 0%.

The provision for the conversion rate covers the additional financing requirements arising as a result of regulatory conversion rates that have not been actuarially set. The provision is set aside for those people who have reached the age of 55. Provisions are made for the expected financing requirements for these persons upon retirement at the normal retirement age.

5.7 Conclusions of the last actuarial report

The last actuarial report was prepared as at 31 December 2020. The accredited pension actuary confirmed in the report that

- the actuarial bases used are appropriate. However, in his view, the technical interest rate is too high and exceeds the upper limit according to FP4. He recommended a reduction to a maximum of 1.75%. The security of the fund is not at risk at present.
- the pension fund offers security that it can fulfil its obligations as at the reporting date;
- the underwriting provisions on benefits and financing in accordance with the regulations comply with the relevant legal requirements;
- the measures taken are sufficient to cover the underwriting risks;
- the reserve for fluctuations in asset value has been accumulated to 86% of the defined target value.

5.8 Actuarial principles and other significant actuarial assumptions

The calculation principles are based on the BVG 2020, generational table (previous year: BVG 2015, generational table) at a technical interest rate of 1.5%, (previous year 2.0%). The calculations have been made in accordance with the Principles and Guidelines for Accredited Actuaries of the Swiss Association of Actuaries and the Swiss Chamber of Pension Actuaries using the "closed-fund" principle.

5.9 Adaptation of technical principles

At its meeting on 25 November 2021, the Board of Trustees decided to apply the BVG 2020 generational table technical principles with effect from 31/12/2021, and to lower the technical interest rate to 1.5%. The details of the change are as follows:

In CHF		Zur Information	Zur Information	
Stichtag	31.12.2021	31.12.2021	31.12.2021	31.12.2020
Technischer Zinssatz	1.50%	2.00%	2.00%	2.00%
Grundlagen	BVG 2020 GT	BVG 2020 GT	BVG 2015 GT	BVG 2015 GT
Sparguthaben aktive Versicherte	363'108'854	363'108'854	363'108'854	421'636'265
Total Vorsorgekapital Aktive	363'108'854	363'108'854	363'108'854	421'636'265
Altersrentner	373'836'936	353'062'016	364'578'618	334'953'380
Invalidenrentner	25'602'515	23'463'686	24'287'045	23'620'760
Ehegattenrenten	15'730'896	14'743'635	15'106'581	15'366'216
Waisen und Kinderrenten	1'735'243	1'689'017	1'689'017	1'796'758
Vorsorgekapitalien Rentner	416'905'590	392'958'354	405'661'261	375'737'114
Rückstellung für Pensionierungsverluste	16'955'000	4'177'379	7'819'477	10'111'460
Rückstellungen für Sonderereignisse	658'000	842'000	752'000	967'433
Technische Rückstellungen	17'613'000	5'019'379	8'571'477	11'078'893
Vorsorgekapitalien und Technische Rückstellungen	797'627'444	761'086'587	777'341'592	808'452'272

5.10 Funded status under article 44 BVV 2

	31/12/2021 CHF	31/12/2020 CHF	Change compared with previous year
Total assets at market value	972,209,915	955,749,023	
less liabilities	-14,251,447	-6,673,721	
less accrued liabilities and deferred income	-213,505	-246,615	
Non-committed assets (NCA)	957,744,963	948,828,687	8,916,276
Active participants' liabilities	363,108,854	421,636,265	
Pensioners' liabilities	416,905,590	375,737,114	
Actuarial reserves	17,613,000	11,078,893	
Required pension liabilities (RPL)	797,627,444	808,452,272	-10,824,828
Funding surplus under article 44(1) BVV 2 (NCA - RPL)	160,117,519	140,376,415	19,741,104
Funded status under article 44(1) BVV 2 (NCA x 100 / RPL)	120.1%	117.4%	

The funded status under article 44(1) BVV 2 was 120.1% as at the balance sheet date (previous year 117.4%).

6 Explanatory notes on investments and net return on investments

6.1 Organisation of investment activities, investment advisor, investment manager and investment rules and regulations

The Investment Rules and Regulations set out the division of responsibility, powers and control functions between the Board of Trustees and the Investments Committee.

Board of Trustees

The Board of Trustees is responsible for deciding on PVS's investment strategy and on the asset management institutions that implement the investment strategy. For the purpose of ongoing monitoring, it appoints an Investments Committee consisting of two members, one of whom is an employer's representative and one an employee's representative.

Investments Committee

The Investments Committee is responsible for implementing and monitoring the investment strategy, weighting the investment categories within the ranges and monitoring the portfolio managers and the office. The Investments Committee generally meets every two to three months.

Category	Asset management mandated to	Portfolio manager
Money market investments	Syz AM (CH) Liquidity Mgmt - CHF	GAM Investment Management
CHF bonds	Syz AM (CH) Track – CHF Bonds	GAM Investment Management
	Syz AM (CH) Track Government Bonds	GAM Investment Management
	Swisscanto Bond Tot. Market Ind. Domestic	Zürcher Kantonalbank
	Foreign currency bonds, rest of world	CSIF Bond Aggr. Rest World Currency Index
Foreign currency corporate bonds, ex Switzerland	Swisscanto Bond Corp World hedged CHF	Zürcher Kantonalbank
USD bonds	UBS (CH) Inst. Fund-Bonds USD Inflation-I.	UBS AG, Global Asset Mgmt
Emerging market bonds	Lazard Emerging Markets Local Debt Fund	Lazard Asset Management
Mortgages	Mortgages to beneficiaries and third parties	PFS Pension Fund Services
Swiss equities	CSIF Switzerland Total Market Index Blue	Credit Suisse (Schweiz) AG
	Swisscanto Equity Small & Mid Caps	Zürcher Kantonalbank
European equities	Swisscanto (CH) Ind Eq Fund MSCI UK	Zürcher Kantonalbank
	UBS (CH) IF Equities Europe Passive II I-X	UBS AG, Global Asset Mgmt
Pacific equities	UBS (CH) IF Equities Pacific (ex Japan) Passive II I-X	UBS AG, Global Asset Mgmt
	UBS (CH) IF Equities Japan Passive II I-X	
Foreign equities	Swisscanto IPF Index Equity World ex CH Responsible Class – NTH-	Zürcher Kantonalbank
Emerging market equities	Swisscanto Equity Emerging Markets	Zürcher Kantonalbank
Swiss real estate	Turidomus Collective Investment Unit	Pensimo Management AG
	Adimora Collective Investment Unit	Pensimo Management AG
	CS 1A Immo PK	Credit Suisse (Schweiz) AG
	SPA Real Estate Switzerland	Swiss Prime Site Group AG
Commodities	CSIF II Gold Blue DB Class hedged	Credit Suisse (Schweiz) AG

The institutions entrusted with the asset management meet the requirements and procedure for admission pursuant to Occupational Pension Supervisory Commission Directive D-01/2014. Compliance with Article 48f(2) to (5) BVV2 is assured. All asset management institutions are authorised by FINMA or have a comparable authorisation abroad.

6.2 *Expansion of investment possibilities (Article 50(4) BVV 2) with coherent explanation of compliance with certainty and risk allocation (Article 50(1) to (3) BVV 2)*

The Board of Trustees must provide a coherent explanation of compliance with Article 50(1) to (3) BVV 2 in the notes to the annual financial statements. The statutory maximum proportion of real estate of 30% was exceeded by 7.4 percentage points as at 31/12/2021.

Investment category	31/12/2021		% of total		Article 55 BVV 2	31/12/2020		% of total
	CHF	assets	SAA	Range		CHF	assets	
Real estate	360,262,381	37.4%	33%	28–38%	30%	339,165,462	35.8%	
Swiss real estate	360,262,381	37.4%	33%	28–38%		339,165,462	35.8%	

If the pension fund can coherently explain its compliance with paragraphs (1) to (3) in the notes to the annual financial statements, based on its regulations it may expand its investment possibilities in accordance with Articles 53(1) to (4), 54, 54a, 54b(1), 55, 56, 56a(1) and (5) and 57(2) and (3).

According to the strategy in Appendix I of the current Investment Rules and Regulations, there is a range for real estate from a minimum of 28% to a maximum of 38% with strategic value of 33%. At its meeting on 18 May 2020, the Board of Trustees decided to maintain these requirements and to exceed the BVV 2 limits. The regular dividend payments from the collective investment units ensure, among other things, that PVS remains liquid. The income from the real estate investments is also above the currently applicable technical interest rate of 1.5%.

Art. 53 para. 4 BVV2 was extended by making a non-diversified investment in physical gold. This investment acts as a stabilising factor with a certain protection against inflation. The product deployed was chosen with care and is monitored on an ongoing basis by the investments committee. The value of the Commodities CSIF II Gold Blue Class DB Hedged fund is CHF 27,471,968 as at 31.12.21.

6.3 *Target reserve for fluctuations in asset value and calculation of the reserve*

Reserves for fluctuations in asset value serve to cushion against asset price fluctuations. They are intended to prevent underfunding from occurring as a result of volatility.

The required target reserve for fluctuations in asset value is calculated using the financial-economic method. In the financial-economic method, the reserve for fluctuations in asset value is calculated based on the risk-and-return characteristics of the investment categories in the investment strategy, which with sufficient certainty enables a required minimum interest rate equal to the technical interest rate and coverage of the investment costs. The target reserve for fluctuations in asset value is expressed as a percentage of the obligations.

It is based on a horizon of three years, a security level of 98%, an expected return from the investment strategy of 2.8% and an investment strategy risk of 6.0%. It amounts to 20.1% (previous year: 20.1%) of pension liabilities and actuarial reserves.

Required reserve for fluctuations in asset value	2021 CHF	2020 CHF	Change compared with previous year
Reserve for fluctuations in asset value as at 1 January	140,376,415	130,049,167	10,327,248
Allocation at the expense of the operative account	19,741,104	10,327,248	9,413,856
Reserve for fluctuations in asset value as per balance sheet as at 31 December	160,117,519	140,376,415	19,741,104
Required reserve for fluctuations in asset value	160,323,116	162,498,907	-2,175,791
Reserve deficit in the reserve for fluctuations in asset value	-205,597	-22,122,492	21,916,895

6.4 Breakdown of investments into investment categories

Investment category	31/12/2021 CHF	% of total assets	SAA	Range	Article 55 BVV 2	31/12/2020 CHF	% of total assets
Interest-bearing investments	300,547,802	31.2%	39%	16–81%	100%	384,602,332	40.6%
Liquidity and money market investments	5,654,586	0.6%	1%	0–30%		78,053,106	8.2%
Receivables	4,341,209	0.5%	n/a			5,391,812	0.6%
CHF bonds	111,249,593	11.6%	15%	10–18%		122,253,377	12.9%
Foreign currency bonds, rest of world	45,801,527	4.8%	5%	1–7%		45,161,401	4.8%
Foreign currency corporate bonds, ex Switzerland	24,078,387	2.5%	3%	0–5%		24,829,523	2.6%
USD bonds (incl. currency hedges)	36,242,550	3.8%	4%	0–6%		33,208,730	3.5%
Emerging market bonds	7,524,450	0.8%	3%	0–5%		7,995,883	0.8%
Mortgages	65,655,500	6.8%	8%	5–10%		67,708,500	7.1%
Equities	273,221,698	28.4%	28%	0–45%	50%	192,886,069	20.4%
Swiss equities	107,180,296	11.1%	9%	0–11%		87,720,221	9.3%
European equities (incl. currency hedges)	51,491,681	5.3%	2%	0–3%		11,087,585	1.2%
North American equities	0	0.0%	0%	0–4%		0	0.0%
Pacific equities (incl. currency hedges)	12,625,826	1.3%	3%	0–4%		11,831,417	1.2%
Sustainable equities (incl. currency hedges)	90,688,233	9.4%	11%	0–13%		70,996,511	7.5%
Emerging market equities	11,235,662	1.2%	3%	0–5%		11,250,335	1.2%
Real estate	360,262,381	37.4%	33%	28–38%	30%	339,165,462	35.8%
Swiss real estate	360,262,381	37.4%	33%	28–38%		339,165,462	35.8%
Alternative investments	28,798,268	3.0%	0%	0–21%	15%	30,469,063	3.2%
Private equity	1,326,300	0.1%	0%	0–1%		1,326,300	0.1%
Commodities, hedged	27,471,968	2.9%	0%	0–10%		29,142,763	3.1%
Commodities	0	0.0%	0%	0–10%		0	0.0%
Total investments	962,830,149	100.0%	100.0%			947,122,926	100.0%

SAA = strategic asset allocation (investment strategy)

Foreign currencies	SAA proportion	Net proportion as at 31/12/2021	BVV 2 limit	BVV 2 article
Foreign currencies (without hedging)	24.4%	18.3%	30%	55e

The investment limits under Articles 54, 54a and 54b BVV 2 were complied with.

Currency hedges	31/12/2021 CHF	% of total assets	SAA	Range	31/12/2020 CHF	% of total assets
Total	86,460,920	9.0%	6.6%	0–27%	97,272,937	10.3%
EUR	7,539,798	0.8%	2.4%	0–5%	11,251,541	1.2%
USD	33,194,706	3.4%	0.0%	0–14%	70,335,390	7.4%
JPY	7,688,180	0.8%	3.0%	0–5%	11,121,054	1.2%
GBP	38,038,236	4.0%	1.2%	0–3%	4,564,952	0.5%

As at 31 December 2021, the upper bandwidth was slightly exceeded for the Swiss equities. The Investment Committee or Board of Trustees deliberately did not initiate a correction because the performance of the equities already complied with the bandwidths again at the end of January 2022. The upper range was also exceeded in European equities. However, the Board of Trustees decided at its meeting on 1 March 2021 to set the upper bandwidth at 8%, which is why no correction was initiated here either. The investment regulations are amended as of 1 January 2022. Likewise, the upper bandwidth was exceeded in the GBP currency hedge. The Board of Trustees notes that security and risk diversification are guaranteed at all times due to the broad diversification.

6.4.1 Mortgages

The mortgages are mortgages to beneficiaries of PVS and to third parties. The Foundation grants beneficiaries and third parties first mortgages on houses and flats that are owner occupied for the whole of the year and on holiday properties for own use in Switzerland. The maximum loan is 70% (or 65% for holiday properties) of the market value or a maximum of CHF 1,500,000.

On retirement, the loan must be repaid to 65% of the market value.

If a participant leaves the Foundation or receives all of their retirement benefits in the form of a lump-sum payment on retirement, the mortgage can be continued on the same terms. If ownership of the mortgaged property is transferred, the loan is to be repaid on the sale date. In the event of early termination, the Board of Trustees has decided on an adjustment. The new rule is: if the contract was concluded after 1 December 2021 and the initial term was 11 years or more, PVS waives a prepayment penalty if there is a sale of the pledged property to third parties outside the group of family members up to and including a third degree of kinship and limits the costs incurred to a processing fee of CHF 1,000. For all other cases, the previous guidelines apply.

PVS grants variable and 1 to 10-year fixed-rate mortgages. The interest rate for variable mortgages is determined by the Board of Trustees on the basis of market conditions and was 1.9% in the reporting year. The interest rates for 1 to 10-year fixed-rate mortgages are set monthly and are based on an average of the interest rates of the St.Gallen PK, PK Stadt SG, PK Post, BVK and Homegate. The minimum interest for the terms 1 to 5 years is 0.50%; for the terms 6 to 10 years it is 0.75%. In September 2021 the Board of Trustees decided to return mortgages to third parties up to the target value of 8%. This corresponds to a volume of around 12 million. New mortgages are offered with terms of 11 to 15 years. For new business to third parties, only 11 to 15-year mortgages may be offered, for beneficiaries and existing external customers, contracts with shorter terms are also offered. Interest rates on 11 to 15-year fixed-rate mortgages are based on the interest rates of hypotheke.ch, PK Post, BLVK, Sparhypo, Moneypark and Hypomat.

The mortgage portfolio was as follows in the reporting year:

Changes in the mortgage portfolio	2021 CHF	2020 CHF
As at 1 January	67,708,500	66,021,500
New mortgages	0	2,277,000
Mortgages terminated	-2,308,000	-600,000
Increases	305,000	10,000
Amortisations	-50,000	0
As at 31 December	65,655,500	67,708,500
of which fixed-rate mortgages	64,516,000	65,986,000

Number of borrowers	2021	2020
Active participants	13	17
Pensioners	50	47
Former beneficiaries	6	8
Third parties	60	61
As at 31 December	129	133

Average loan amount	48.2%	50.4%
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6.5 *Current (open) financial derivative instruments*

In accordance with the Investment Rules and Regulations in force, investments in foreign currencies are hedged. The following forward foreign exchange contracts were open on the balance sheet date:

Forward foreign exchange contract	Currency	Amount in local currency	Conclusion forward rate	Current forward rate	Gain/loss as at 31/12/2021 CHF
			Value in CHF	Value in CHF	
Sale on 20/12/2022	EUR	7,290,000	1.0405	1.0343	
			7,585,245	7,539,798	-45,447
Sale on 20/12/2022	USD	36,870,000	0.9111	0.9003	
			33,592,257	33,194,706	-397,551
Sale on 20/12/2022	JPY	976,900,000	0.008036	0.007870	
			7,850,368	7,688,180	-162,188
Sale on 20/12/2022	GBP	31,280,000	1.2062	1.2161	
			37,729,936	38,038,236	308,300
Total open forward foreign exchange contracts as at 31/12/2021			86,757,806	86,460,920	-296,886

The above forward foreign exchange transactions are covered by investments in USD bonds, European equities and Pacific equities and were concluded through Zürcher Kantonalbank (the counter-party).

6.6 *Open commitments*

There are no outstanding capital commitments.

6.7 *Market value and counterparties in securities lending*

In accordance with the resolution by the Board of Trustees in 2009, PVS transferred all investments into investments with no securities lending during the course of 2010.

The only exception is the investment in "Swisscanto (CH) Index Bond Fund Total Market AAA-BBB Domestic CHF Class N", Swiss security no. 11704507, which permits securities lending within the fund. According to information provided by the fund management company, as at 31 December 2021 bonds with a value of CHF 14,417,161 were on loan from the fund units attributable to PVS, corresponding to a lending ratio of 31.49%.

6.8 Explanatory notes on net return on investments

The income from investments is detailed in the operative account. Further details are provided below.

6.8.1 Details on real estate

	Income CHF 2021	Assets in CHF as at 31/12/2021	Income in CHF 2020	Assets in CHF as at 31/12/2020
Turidomus Collective Investment Unit	19,058,962	302,520,102	16,558,132	281,733,999
Casareal investment group	10,707,224	147,819,823	9,605,274	141,037,927
<i>of which purchased</i>		0		4,808,604
Distribution	3,925,328		3,925,328	
Change in net asset value	6,781,896		5,679,946	
Proreal investment group	6,760,238	103,746,278	5,713,743	90,083,572
<i>of which purchased</i>		10,625,753		
Distribution	3,723,284		3,342,734	
Change in net asset value	3,036,954		2,371,009	
Urban & Mixed-use investment group	1,591,500	50,954,000	1,239,115	50,612,500
<i>of which purchased</i>		0		4,993,845
Distribution	1,250,000		1,000,000	
Change in net asset value	341,500		239,115	
Adimora Collective Investment Unit				
Omega investment group	1,261,802	18,641,390	1,162,073	15,557,416
<i>of which purchased</i>		2,297,787		
Distribution	475,615		356,100	
Change in net asset value	786,187		805,973	
CS 1A Immo PK	1,810,500	17,622,200	120,700	16,354,850
<i>of which sold/purchased</i>				
Distribution	543,150		603,500	
Change in net asset value	1,267,350		-482,800	
Swiss Prime Collective Investment Unit				
SPA investment group	1,135,447	21,478,689	737,878	20,343,242
<i>of which purchased</i>				
Distribution	0		0	
Change in net asset value	1,135,447		737,878	
Helvetia Collective Investment Unit				
Swiss real estate investment group	96,108	0	226,377	5,175,956
<i>of which sold</i>		-5,175,956		-4,968,768
Real. Gain on sale	89,572		31,232	
Distribution remuneration	6,536		9,813	
Change in net asset value	0		185,332	
Total real estate	23,362,819	360,262,381	18,805,160	339,165,462
<i>TER costs recognised under income</i>	<i>856,308</i>		<i>848,343</i>	
<i>Total net income from Swiss real estate</i>				
<i>as per the operative account</i>	<i>24,219,127</i>		<i>19,653,503</i>	

The real estate assets are indirect investments via the Turidomus, Adimora and Swiss Prime collective investment units (CIUs) and the Credit Suisse CS 1A Immo PK investment fund for institutional investors. The investments in Turidomus are divided into claims on the Casareal investment group (residential property), claims on the Proreal investment group (commercial property) and claims on the Urban & Mixed-use investment group.

6.8.2 Overall investment performance

The performance, broken down by individual investment category, is as follows according to our calculations:

Net income from investments	2021 CHF	Perform. in %	2020 CHF	Perform. in %
Interest-bearing investments	-778,142	-0.2%	3,555,098	0.8%
Liquidity and money market investments	-209,719	-0.7%	48,989	-0.1%
CHF bonds	-2,585,024	-2.2%	1,491,618	1.2%
Foreign currency bonds, rest of world	1,116,950	2.5%	46,657	0.1%
Foreign currency corporate bonds, ex Switzerland	-510,116	-2.1%	1,506,658	6.4%
USD bonds (incl. currency hedges)	1,108,367	2.1%	2,422,772	7.1%
Emerging market bonds	-394,771	-5.8%	-2,628,332	-7.3%
Mortgages	696,171	1.0%	666,736	1.0%
Equities	44,873,303	20.3%	-237,223	5.9%
Swiss equities	20,160,841	23.1%	2,481,893	4.3%
European equities (incl. currency hedges)	5,876,331	15.3%	-2,640,682	-4.0%
Pacific equities (incl. currency hedges)	1,203,759	10.3%	-1,664,022	7.5%
Sustainable equities (incl. currency hedges)	17,575,61	25.1%	4,935,387	12.3%
Emerging market equities	2	0.4%	-3,349,799	6.4%
Real estate	24,219,127	6.8%	19,653,503	5.8%
Swiss real estate	24,219,127	6.8%	19,653,503	5.8%
Alternative investments	-1,609,240	-5.4%	2,073,083	8.2%
Private equity	38,065	2.9%	37,402	2.8%
Commodities	-1,647,305	-5.7%	2,035,681	7.4%
Total net income from investments	66,705,048	7.1%	25,044,461	2.6%

The performance was calculated using the time-weighted return (TWR) method and is reported net (i.e. after deduction of costs for indirect investments).

6.9 Explanatory notes on the asset management costs

Investment management costs	2021 CHF	2020 CHF	Change from previous year
Securities accounting costs	19,817	19,817	0
Investment advisory costs	56,153	67,155	-11,002
Management fees for mortgages to beneficiaries	71,282	72,740	-1,458
Bank charges for direct investments	3,090	2,474	616
Transaction costs for collective investments	89,654	76,613	13,041
Custody fees/management fees for collective investments	264,120	262,660	1,460
Cost indicators of collective investments	992,306	1,065,209	-72,903
Total administration cost of investments	1,496,422	1,566,667	-70,245

Reported asset management costs	2021 CHF	2020 CHF
Asset management costs recognised directly in the operative account	504,116	501,458
Sum of all recognised cost indicators of collective investment schemes in CHF as per operative account	992,306	1,065,209
Total asset management costs reported in the operative account	1,496,422	1,566,667
Total of all asset management costs as reported in the operative account in percentage of cost-transparent investment schemes	0.155%	0.165%

Transparent collective investment schemes

Provider and product name	Market value 31/12/2021 CHF	TER in %	TER in CHF
Swiss & Global; Syz AM (CH) Liquidity Mgmt - CHF	25,545	0.10%	26
Swiss & Global; Syz AM (CH) Track – CHF Bonds	52,715,967	0.05%	26,358
Swiss & Global; Syz AM (CH) Track – Swiss GVT Bonds	12,750,325	0.09%	11,475
Credit Suisse AG; CSIF Bond Aggr.Global ex G4 ex CHF	45,801,527	0.0022%	1,008
UBS (CH) Inst. Fund - Bonds USD Inflation-linked Passive I-X	35,844,999	0.01%	3,584
Lazard Asset Management Schweiz AG; Lazard Emerging Markets Local Debt Fund Inst. Class USD	7,524,450	0.91%	68,472
Credit Suisse AG; CSIF Switzerland Total Market Index Blue	79,281,818	0.002%	1,586
Pensimo; Adimora Collective Investment Unit – Omega	18,641,390	0.27%	50,332
Pensimo; Turidomus Collective Investment Unit – Casareal	147,819,823	0.23%	339,986
Pensimo; Turidomus Collective Investment Unit – Proreal	103,746,278	0.15%	155,619
Pensimo; Turidomus Collective Investment Unit - Urban & Mixed-use	50,954,000	0.11%	56,049
Credit Suisse 1a Immo PK	17,622,200	0.59%	103,971
Swiss Prime Site Group; SPA Real Estate Switzerland	21,478,689	0.70%	150,351
Credit Suisse AG; CSIF II Gold Blue DB Class hedged	27,471,968	0.0855%	23,489
Total transparent collective investment scheme costs			992,306

The TER costs reported are gross, i.e. they do not take reimbursements into account. The following reimbursements accrued:

Provider and product name	Reimbursement 2021 CHF	Reimbursement 2020 CHF
Lazard Asset Management Schweiz AG; Lazard Emerging Markets Local Debt Fund, sales commission	8,189	12,603
Helvetia Collective Investment Unit; Real Estate Switzerland, distribution remuneration	6,536	9,813
Total	14,725	22,416

If these reimbursements are taken into account, the asset management costs decrease to CHF 1,481,698 (previous year: CHF 1,544,251) and represent 0.154% (previous year: 0.163%) of cost-transparent investments.

The cost transparency ratio is 100% (previous year: 100%)

Additional collective investment schemes with CS, UBS and ZKB are made in the Z, I-X and N class funds without any inherent costs (with fees charged separately).

6.10 Comments on investments in an employer's enterprise

Receivables from employers	31/12/2021 CHF	31/12/2020 CHF	Change compared with previous year
Swissport International AG	309,909	342,719	-32,810
Swissport International AG, Zurich operations	890,242	1,048,323	-158,081
Swissport International AG, Basel operations	238,103	279,665	-41,562
Swissport International AG, Geneva operations	483,716	639,589	-155,873
Swissport Baggage Sorting AG	113,968	127,771	-13,803
Swissport Executive Aviation SA	6,881	6,851	30
GVAssistance S.A.	47,213	50,454	-3,241
Current account employer	-526	0	-526
Total receivables from employers	2,089,506	2,495,372	-405,866

The receivables from employers include the contribution statements of the affiliated employers for the month of December 2021. They were all paid in January and February 2022.

7 Comments on other balance sheet and operative account positions

7.1 Balance sheet

Assets

7.1.1 Receivables from third parties

	31/12/2021 CHF	31/12/2020 CHF
Receivables for continuing insurance	6,198	0
Current account insurance company	186,209	0
Refundable withholding tax	2,059,296	2,882,857
Outstanding interest on mortgages	0	13,583
Total receivables	2,251,703	2,896,440

7.1.2 Prepayments and accrued income

	31/12/2021 CHF	31/12/2020 CHF
Turidomus Casareal dividend	3,925,328	3,925,328
Turidomus Proreal dividend	3,723,284	3,342,734
Turidomus Urban & Mixed-use distribution	1,250,000	1,000,000
Adimora Omega dividend	475,615	356,100
Other	5,539	1,935
Total prepayments and accrued income	9,379,766	8,626,097

Equity and liabilities

7.1.3 Other liabilities

The amount includes various outstanding invoices for the reporting year that were paid in 2022.

7.1.4 Accrued liabilities and deferred Income

The "accrued liabilities and deferred income" item primarily includes the contribution to the security fund, outstanding charges for management, provisions for the fees of the supervisory authority (the Occupational Pension Supervisory Committee) and the expenses for the audit for the reporting year.

7.2 Operative account

7.2.1 One-time payments and purchase amounts

	2021 CHF	2020 CHF	Change compared with previous year
Voluntary payments by employees	965,836	5,263,570	-4,297,734
Total one-time payments and purchase amounts	965,836	5,263,570	-4,297,734

7.2.2 Reimbursements of withdrawals for home ownership/divorce

	2021 CHF	2020 CHF	Change compared with previous year
Voluntary repayments of withdrawals for home ownership	472,046	826,575	-354,529
Payments received from divorce entitlements	155,223	110,853	44,370
Voluntary repayments of assignments on divorce	111,715	41,600	70,115
Total reimbursements of withdrawals for home ownership/divorce	738,984	979,028	-240,044

Repayments of home ownership encouragement withdrawals were made by 12 people (previous year: 12). A total of 2 (previous year: 2) people had part of the retirement savings of divorced spouses paid into their individual retirement savings. In addition 3 (previous year: 2) 2) Persons have made a voluntary repayment of divorce assignment.

7.2.3 Children's benefits

	2021 CHF	2020 CHF	Change compared with previous year
Pensioner's children's benefits	129,134	139,446	-10,312
Orphan's benefits	35,334	43,554	-8,220
Disabled person's children's benefits	86,426	119,326	-32,900
Total children's benefits	250,894	302,326	-51,432

7.2.4 Withdrawals for encouragement of home ownership/divorce

	2021 CHF	2020 CHF	Change compared with previous year
Withdrawals for encouragement of home ownership	1,269,290	1,338,132	-68,842
Transfer of retirement savings to divorced spouses	347,623	339,823	7,800
Total withdrawals for encouragement of home ownership/divorce	1,616,913	1,677,954	-61,042

In addition a total of 17 (previous year: 14) 17) Persons made use of the option of a home ownership encouragement withdrawal. The average home ownership encouragement withdrawal was CHF 74,664 (previous year: CHF 78,714).

A total of 10 (previous year: 5) 7) Persons who had part of their individual retirement savings transferred to the pension fund of their divorced spouse.

7.2.5 Other expenses

The "Share of Swissport health management" item contains PVS's share of the health management expenses of affiliated employers. In accordance with the resolution by the Board of Trustees of 12 July 2007, PVS makes a CHF 225,000 cost-sharing payment annually towards the employers' health management expenses, with the following conditions:

- The employers affiliated to PVS commit to expenditure of at least the same amount.
- Health management prepares an implementation plan for the use of the cost-sharing payment.

The cost-sharing payment was increased to CHF 275,000 excluding VAT as at 1 January 2013 and at the same time given a time limit of until 31 December 2015. In September 2015 it was contractually extended with a three-year term from 1.1.2016. The contract has not been terminated. The contract is extended by one year unless notice is served

7.2.6 Administration expenses

	2021 CHF	2020 CHF	Change compared with previous year
Audit fees	32,368	31,608	760
Actuary's fees	96,521	79,830	16,691
Compensation, expenses and training of the Board of Trustees	60,053	64,576	-4,523
Administration expenses for PFS AG	722,138	838,804	-116,666
Translation and printing expenses	23,998	23,278	720
Supervisory authority fees	20,815	21,315	-500
Other administration expenses	5,088	3,811	1,277
Total administration expenses	960,981	1,063,222	-102,241

Based on the 4,293 (previous year: 4,751) active participants and pensioners (without children's pensions) on 01 January 2021, administrative expenses were CHF 224 (previous year: CHF 224) per beneficiary.

7.2.7 Contributions to actuarial reserves

At the application of Checkport Schweiz AG, the Board of Trustees decided to retain the recipients of retirement benefits administered under Careport AG's affiliation contract. This was subject to the condition that this portfolio of pensioners can be perpetuated without any financial risk in the event of a possible reduction in the technical interest. The contribution to actuarial reserves corresponds to the difference between the current actuarial reserves and the actuarial reserves calculated with 0% technical interest rate and generational tables (BVG 2020). This was financed by the employer. The provision was allocated to this portfolio of pensioners.

8 Supervisory authority requirements

As of 24 November 2021 the supervisory authority took note of the 2020 reporting. It asked that all applicable pension regulations and plans be indicated in the future, which was implemented accordingly in section 1.3. Otherwise, there are no pending requirements from the supervisory authority.

9 Further information regarding financial situation

9.1 Retrocessions

In the reporting year, PVS requested that its external asset managers provide information on retrocessions received or paid for the purposes of PVS's account-of-agency duty and the duty of delivery in accordance with Article 400(1) of the Swiss Code of Obligations, the provisions concerning the transfer of pecuniary benefits under Article 48k of BVV 2 and the corresponding case law of the Swiss Federal Supreme Court (most recently BGE 4A_127/2012 and 4A_141/2012 of 29 October 2012). In the reporting year, no retrocessions were declared by the external asset managers.

9.2 Pledge of assets

A limited general deed of pledge up to a maximum of CHF 20 million is maintained to cover the margins of forward foreign exchange contracts concluded with Credit Suisse (Schweiz) AG. The assets held in safe custody by Credit Suisse are pledged to secure this maximum amount. As at 31/12/2021 there were no forward foreign exchange contracts with Credit Suisse (Schweiz) AG.

10 Events subsequent to the balance sheet date

None

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**Bericht der Revisionsstelle an den Stiftungsrat der
Personalvorsorge Swissport, Opfikon****Bericht der Revisionsstelle zur Jahresrechnung**

Als Revisionsstelle haben wir die beiliegende Jahresrechnung der Personalvorsorge Swissport, bestehend aus Bilanz, Betriebsrechnung und Anhang, für das am 31. Dezember 2021 abgeschlossene Geschäftsjahr geprüft.

Verantwortung des Stiftungsrates

Der Stiftungsrat ist für die Aufstellung der Jahresrechnung in Übereinstimmung mit den gesetzlichen Vorschriften, der Stiftungsurkunde und den Reglementen verantwortlich. Diese Verantwortung beinhaltet die Ausgestaltung, Implementierung und Aufrechterhaltung einer internen Kontrolle mit Bezug auf die Aufstellung einer Jahresrechnung, die frei von wesentlichen falschen Angaben als Folge von Verstössen oder Irrtümern ist. Darüber hinaus ist der Stiftungsrat für die Auswahl und die Anwendung sachgemässer Rechnungslegungsmethoden sowie die Vornahme angemessener Schätzungen verantwortlich.

Verantwortung des Experten für berufliche Vorsorge

Für die Prüfung bestimmt der Stiftungsrat neben der Revisionsstelle einen Experten für berufliche Vorsorge. Dieser prüft periodisch, ob die Vorsorgeeinrichtung Sicherheit dafür bietet, dass sie ihre Verpflichtungen erfüllen kann und ob die reglementarischen versicherungstechnischen Bestimmungen über die Leistungen und die Finanzierung den gesetzlichen Vorschriften entsprechen. Für die für versicherungstechnische Risiken notwendigen Rückstellungen ist der aktuelle Bericht des Experten für berufliche Vorsorge nach Artikel 52e Absatz 1 BVG in Verbindung mit Artikel 48 BVV 2 massgebend.

Verantwortung der Revisionsstelle

Unsere Verantwortung ist es, aufgrund unserer Prüfung ein Prüfungsurteil über die Jahresrechnung abzugeben. Wir haben unsere Prüfung in Übereinstimmung mit dem schweizerischen Gesetz und den Schweizer Prüfungsstandards vorgenommen. Nach diesen Standards haben wir die Prüfung so zu planen und durchzuführen, dass wir hinreichende Sicherheit gewinnen, ob die Jahresrechnung frei von wesentlichen falschen Angaben ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen für die in der Jahresrechnung enthaltenen Wertansätze und sonstigen Angaben. Die Auswahl der Prüfungshandlungen liegt im pflichtgemässen Ermessen des Prüfers. Dies schliesst eine Beurteilung der Risiken wesentlicher falscher Angaben in der Jahresrechnung als Folge von Verstössen oder Irrtümern ein. Bei der Beurteilung dieser Risiken berücksichtigt der Prüfer die interne Kontrolle, soweit diese für die Aufstellung der Jahresrechnung von Bedeutung ist, um die den Umständen entsprechenden Prüfungshandlungen festzulegen, nicht aber um ein Prüfungsurteil über die Wirksamkeit der internen Kontrolle abzugeben. Die Prüfung umfasst zudem die Beurteilung der Angemessenheit der angewandten Rechnungslegungsmethoden, der Plausibilität der vorgenommenen Schätzungen sowie eine Würdigung der Gesamtdarstellung der Jahresrechnung. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise eine ausreichende und angemessene Grundlage für unser Prüfungsurteil bilden.

Prüfungsurteil

Nach unserer Beurteilung entspricht die Jahresrechnung für das am 31. Dezember 2021 abgeschlossene Geschäftsjahr dem schweizerischen Gesetz, der Stiftungsurkunde und den Reglementen.

Berichterstattung aufgrund weiterer gesetzlicher und anderer Vorschriften

Wir bestätigen, dass wir die gesetzlichen Anforderungen an die Zulassung (Art. 52b BVG) und die Unabhängigkeit (Art. 34 BVV 2) erfüllen und keine mit unserer Unabhängigkeit nicht vereinbaren Sachverhalte vorliegen.

Ferner haben wir die weiteren in Art. 52c Abs. 1 BVG und Art. 35 BVV 2 vorgeschriebenen Prüfungen vorgenommen. Der Stiftungsrat ist für die Erfüllung der gesetzlichen Aufgaben und die Umsetzung der statutarischen und reglementarischen Bestimmungen zur Organisation, zur Geschäftsführung und zur Vermögensanlage verantwortlich.

Wir haben geprüft, ob

- die Organisation und die Geschäftsführung den gesetzlichen und reglementarischen Bestimmungen entsprechen und ob eine der Grösse und Komplexität angemessene interne Kontrolle existiert;
- die Vermögensanlage den gesetzlichen und reglementarischen Bestimmungen entspricht;
- die Alterskonten den gesetzlichen Vorschriften entsprechen;
- die Vorkehrungen zur Sicherstellung der Loyalität in der Vermögensverwaltung getroffen wurden und die Einhaltung der Loyalitätspflichten sowie die Offenlegung der Interessenverbindungen durch das oberste Organ hinreichend kontrolliert wird;
- die freien Mittel oder die Überschussbeteiligungen aus Versicherungsverträgen in Übereinstimmung mit den gesetzlichen und reglementarischen Bestimmungen verwendet wurden;
- die vom Gesetz verlangten Angaben und Meldungen an die Aufsichtsbehörde gemacht wurden;
- in den offen gelegten Rechtsgeschäften mit Nahestehenden die Interessen der Vorsorgeeinrichtung gewahrt sind.

Wir bestätigen, dass die diesbezüglichen anwendbaren gesetzlichen, statutarischen und reglementarischen Vorschriften eingehalten sind.

Wir empfehlen, die vorliegende Jahresrechnung zu genehmigen.

KPMG AG



Erich Meier
Zugelassener Revisionsexperte
Leitender Revisor



Eric Funk
Zugelassener Revisionsexperte

Zürich, 8. Juni 2022

Beilage:

- Jahresrechnung bestehend aus Bilanz, Betriebsrechnung und Anhang