

GPS

The General Pension Scheme of the SAirGroup

2020 annual report

Introductory remarks 2020

The SAirGroup General Pension Scheme (GPS) looks back on a turbulent 2020 in investment terms. It was on 8 January of last year that the Neue Zürcher Zeitung first reported on the outbreak in China of a mysterious respiratory disease. Just two months later, on 11 March, the World Health Organization declared the COVID-19 outbreak a pandemic. The resulting uncertainties affected the world's equity markets, too. Many countries saw comprehensive fiscal packages rapidly engineered to provide companies with the requisite liquidity. The US Federal Reserve made multiple interest rate cuts in the month of March. And the shock to the supply side prompted one of the biggest global recessions in decades.

From mid-May 2020 onwards, the first easings of pandemic-related restrictions were seen, and with them a certain recovery on the international stock markets and in the world's financial centres. In fact, the safety net provided by the monetary and fiscal policy response helped effect an exceptionally strong upswing on the world's equity markets, the likes of which have rarely been witnessed before. And the second COVID wave in autumn 2020 no longer shook the markets, because in addition to the continuing support from monetary and fiscal policy, they were also looking hopefully ahead to the development of a COVID vaccine.

The financial markets' reactions to the COVID-19 pandemic were also reflected in the returns on our General Pension Scheme's investment portfolio. The world's equity markets lost over 20 per cent of their value in March 2020, with correspondingly high book losses on our Scheme's equity holdings: at its lowest point towards the end of March, the GPS's overall year-to-date performance was around minus 5 per cent.

The global economy recovered substantially in the second- and third-quarter periods, however, with the world's equity markets

even returning to their pre-COVID levels. The GPS portfolio was also able to fully regain its previous book losses, and even returned to a positive year-to-date performance in the fourth-quarter period. This in turn permitted an additional payment amounting to five monthly pensions to be awarded in October 2020 together with the regular monthly pension amount.

The GPS Board of Trustees thanks everyone involved in the Scheme's management and affairs for the consistently pleasant and professional collaboration.



Peter Ramel
Chairman of the Board of Trustees



Pascal Buracco
Managing Director

Balance sheet at december 31 2020

(in CHF million, by market value)

Assets	2020	2019	Liabilities	2020	2019
Current accounts and receivables	256.3	367.3	Payables	0.2	0.1
CHF bonds	58.1	57.9	Accrued liabilities	0.1	0.1
EUR bonds	0.0	0.0	Non-actuarial reserves	1.7	1.7
USD bonds	0.0	0.0	Savings capital	1'069.3	1'117.4
Swiss shares	160.1	140.1	Actuarial reserves	21.4	16.8
European shares	42.4	45.1	Equalisation reserve	196.3	204.2
North American shares	76.8	76.3	Freely-disponsable funds	135.7	154.0
Asia-Pacific shares	62.3	62.0			
Emerging Market	67.5	63.2			
Real estate in Switzerland	617.1	594.4			
Mortgages	63.8	67.6			
Non-traditional investments	1.5	1.5			
Prepaid expenses	18.8	18.9			
Balance sheet total	1'424.7	1'494.3	Balance sheet total	1'424.7	1'494.3

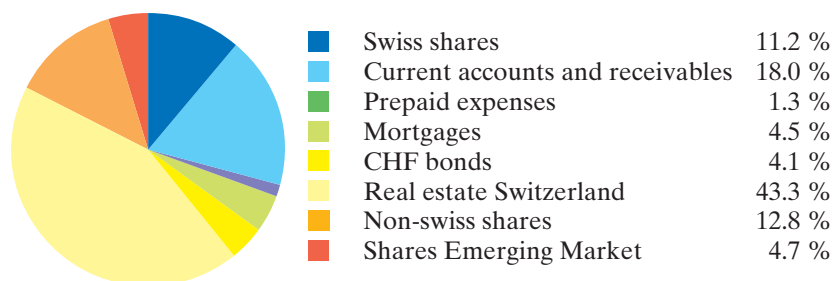
Income statement for 2020

(in CHF million)

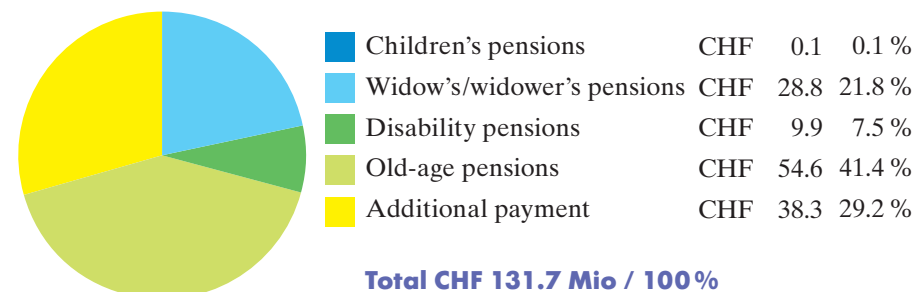
	2020	2019
Vested benefits paid in *	0.0	0.0
Income from contributions and joining payments	0.0	0.0
Pensions and capital amounts paid out	-93.4	-97.4
Additional payment	-38.4	-32.5
Vested benefits paid out	-0.3	-0.3
Expenditure on benefits and advance withdrawals	-132.1	-130.2
Change of savings capital	43.5	90.6
Insurance costs	-0.1	-0.1
other expenses / income	0.1	0.1
Net result from insurance activities	-88.6	-39.6
Income from		
- mortgage loans	0.8	0.9
- securities	19.4	89.6
- real estate	42.9	42.1
Net result from investment activities	63.1	132.6
Administration costs	-0.6	-0.8
Income- (+) / Loss surplus (-) before appropriation to equalisation reserve	-26.1	92.2
Change to equalisation reserve	7.8	16.3
Income- (+) / Loss surplus (-)	-18.3	108.5

* Retroactive payments due to disability

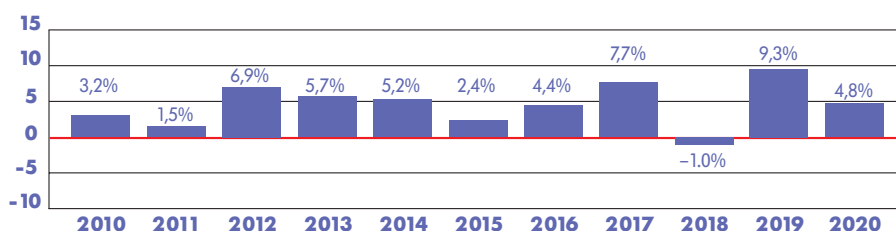
Allocation of GPS assets at december 31 2020 (in %)



Pension payment 2020

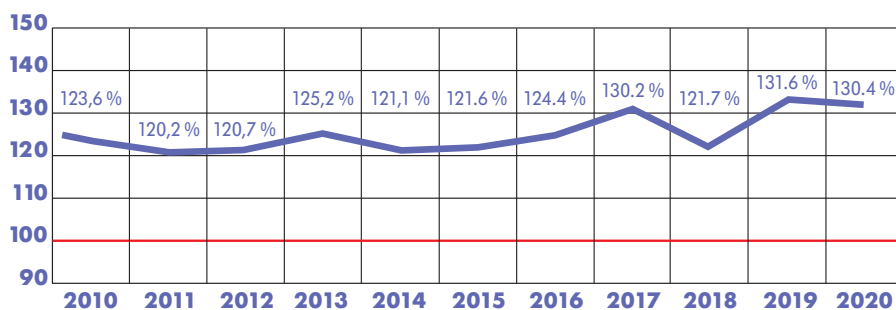


Performance (in %)



Funding Ratio

- 2009 reduction technical interest rate from 3,0 % to 2,5 %
- 2010 reduction technical interest rate from 2,5 % to 2,0 %
- 2013 reduction technical interest rate from 2,0 % to 1,5 %
- 2015 reduction technical interest rate from 1,5 % to 1,0 %
- 2016 reduction technical interest rate from 1,0 % to 0,75 %
- 2018 reduction technical interest rate from 0,75 % to 0,50 %
- 2020 reduction technical interest rate from 0,5 % to 0,0 %



Pension recipients

	31.12.2020	31.12.2019
Old-age pensions	1'523	1'659
Disability pensions	448	463
Widow's/widower's pensions	1'117	1'125
Child's pensions for children of disability pension recipients	34	39
Total pensions	3'122	3'286

The 3'122 pensions (3'286) are paid to 3'088 persons (3'247), since some beneficiaries are entitled to more than one type of pension.

Organisation

Members of the Board of Trustees

Peter Ramel	Chairman
René Wieser	Deputy Chairman
Dr. Max Michel	member
René Müller	member
Irma Schneiter	member
Dr. iur. Hans-Ulrich Stauffer	member
Hans-Ulrich Schneider	member

Independent audit

BDO AG, Schiffbaustrasse 2, 8031 Zürich
Renzo Ferretti

Expert company pension plan

Dipeka AG (party to the contract), St. Alban-Vorstadt 14, 4052 Basel
Dominique Koch

Management

PFS Pension Fund Services AG, Sägereistrasse 29, 8152 Glattbrugg

Pascal Buracco	Managing Director
Reto Haupt	Accountant
Christian Cantieni	Administration

Administration GPS

Telephone +41 43 210 18 43
www.swissair-group-pensions.com