

# GPS

## The General Pension Scheme of the SAirGroup

**2015 annual report**

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## Foreword 2015

The financial markets remained extremely volatile throughout 2015. They also showed varying trends. The Swiss National Bank's decisions in mid-January to abolish its previous CHF 1.20 minimum euro exchange rate and raise the negative interest rate on current-account balances 0.5 percentage points to -0.75% took the markets by surprise. And the turbulence in China, the talk of a "Grexit" from the Eurozone, the expansive monetary policy of the European Central Bank, the actions of the US Federal Reserve and various political crises all prompted substantial fluctuations both up and down on the financial markets. In contrast, the Swiss real-estate market again proved a haven of investment stability, thanks also to low-interest-rate trends.

Despite these difficulties, the GPS achieved an overall 2.4% return on its investments in 2015. The Scheme's funding ratio stood at a highly favourable 121.6% at year-end – even after the 0.5-percentage-point reduction of the Scheme's actuarial interest rate to 1.0% with effect from 31 December 2015, an action that was taken to enhance the security of future pension payments.

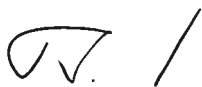
In view of the still encouragingly high funding ratio, the Board of Trustees has resolved to make an additional payment to all pension recipients, despite the current financial market difficulties. This additional payment will amount to three times their monthly retirement/disability/widow's/widower's pension for May 2016. (The payment will not be made on certain time-limited pensions, or on lump-sum capital payments.) The extra amount will be paid out together with the pension for June 2016.

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The three-year term of office for members of the GPS Board of Trustees expired on 31 December 2015. Dieter Streit, our long-serving Deputy President, chose not to stand for re-election. The Board of Trustees offers Dieter its deepest thanks for all his energies, service and commitment during his 13 years of office. The Board of Trustees nominated Max Michel to succeed him.

Max Michel was automatically elected and existing trustees Bernhard Keller, Irma Schneiter, Dr. Hans-Ulrich Stauffer, René Müller, Peter Ramel and Hansruedi Meier (as the representative of Western Switzerland) were automatically re-elected to the Board of Trustees. Bernhard Keller again put himself at the Board's disposal to serve as its President. Peter Ramel was appointed Deputy President. The new Board of Trustees thanks the GPS's members for their confidence and trust, which were reflected in the automatic nature of the elections concerned.

The Board of Trustees of the General Pension Scheme of the SAir-Group also takes this opportunity to thank all its further partners for the ever-pleasant and professional collaborations.



Bernhard Keller

President of the Board of Trustees



Hans-Ulrich Schneider

Managing Director

## Balance sheet at december 31 2015

(in CHF million, by market value)

<b>Assets</b>	2015	2014	<b>Liabilities</b>	2015	2014
Current accounts and receivables	458.2	563.9	Payables	0.1	2.0
CHF bonds	268.7	265.7	Accrued liabilities	0.2	0.3
EUR bonds	0.0	0.0	Non-actuarial reserves	1.7	1.7
USD bonds	0.0	0.0	Savings capital	1'450.2	1'480.4
Swiss shares	163.0	173.9	Actuarial reserves	29.0	95.5
European shares	55.8	57.8	Equalisation reserve	266.2	283.6
North American shares	93.3	107.2	Freely-disposable funds	53.8	49.0
Asia-Pacific shares	32.0	35.2			
Emerging Market	65.1	52.2			
Real estate in Switzerland	562.5	544.2			
Mortgages	76.3	83.6			
Non-traditional investments	5.1	6.5			
Prepaid expenses	21.2	22.3			
<b>Balance sheet total</b>	<b>1'801.2</b>	<b>1'912.5</b>	<b>Balance sheet total</b>	<b>1'801.2</b>	<b>1'912.5</b>

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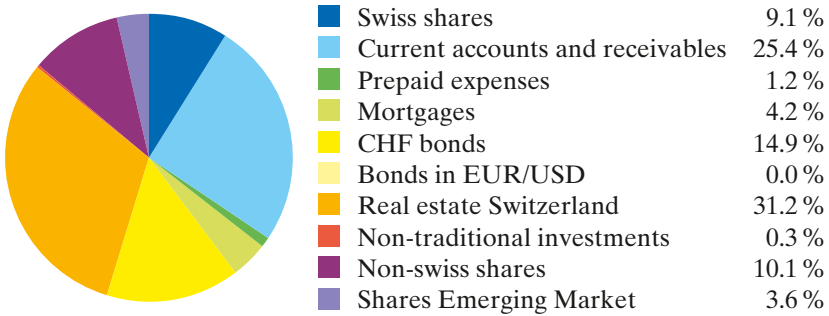
## Income statement for 2015

(in CHF million)

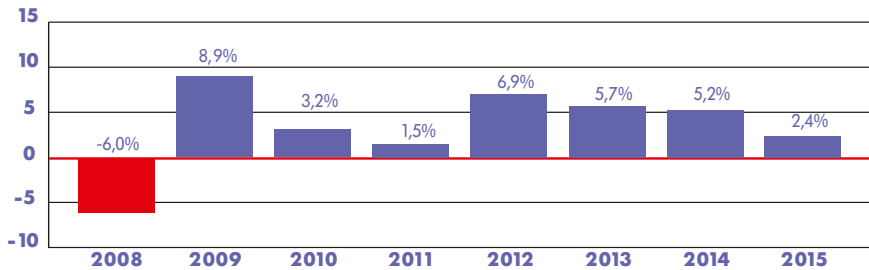
	2015	2014
Vested benefits paid in *	0.2	0.3
<b>Income from contributions and joining payments</b>	<b>0.2</b>	<b>0.3</b>
Pensions and capital amounts paid out	-113.5	-117.7
Pensions and capital amounts paid out	-37.7	-67.9
<b>Expenditure on benefits and advance withdrawals</b>	<b>-151.2</b>	<b>-185.6</b>
Change of savings capital	96.8	17.2
Insurance costs	-0.1	-0.1
other expenses / income	-0.2	-0.2
<b>Net result from insurance activities</b>	<b>-54.5</b>	<b>-168.4</b>
Income from		
- mortgage loans	1.5	2.0
- securities	0.3	66.0
- real estate	40.9	32.4
<b>Net result from investment activities</b>	<b>42.7</b>	<b>100.4</b>
Administration costs	-0.8	-0.8
<b>Income surplus before appropriation to equalisation reserve</b>	<b>-12.6</b>	<b>-68.8</b>
<b>Change to equalisation reserve</b>	<b>17.4</b>	<b>3.1</b>
Revenue-/Expenditure surplus	4.8	-65.7

\* Retroactive payments due to disability

## Allocation of GPS assets at december 31 2015 (in %)

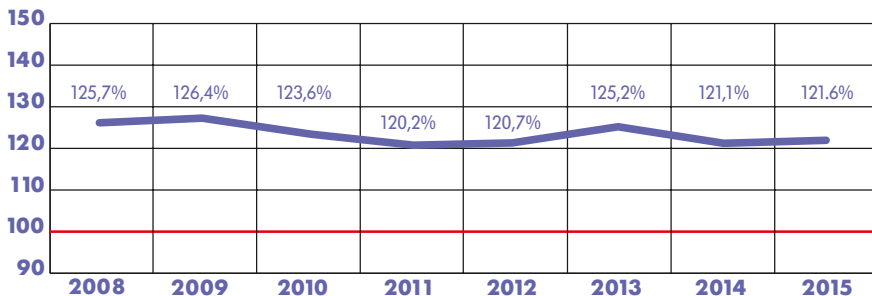


## Performance (in %)

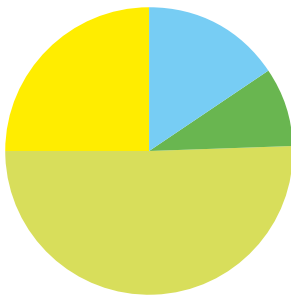


## Funding Ratio

- 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 %



## Pension payment 2015



Children's pensions	CHF	0.3	0.2%
Widow's/widower's pensions	CHF	23.6	15.6%
Disability pensions	CHF	13.3	8.8%
Old-age pensions	CHF	76.3	50.5%
Additional payment	CHF	37.7	24.9%

**Total CHF 151.2 Mio/100%**

## Insures and pension recipients

<b>Pension recipients</b>	31.12.2015	31.12.2014
Old-age pensions	2'088	2'192
Disability pensions	528	541
Widow's/widower's pensions	1'167	1'176
Child's pensions for children of old-age pension recipients	3	5
Child's pensions for children of disability pension recipients	62	69
Orphan's pensions	8	7
<b>Total pensions</b>	<b>3'856</b>	<b>3'993</b>

The 3'856 pensions (3'993) are paid to 3'758 persons (3'888), since some beneficiaries are entitled to more than one type of pension.

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## Organisation

### Members of the Board of Trustees

Bernhard Keller	Chairman
Dieter Streit	Deputy Chairman

Hansruedi Meier	member
René Müller	member
Peter Ramel	member
Irma Schneiter	member
Dr. iur. Hans-Ulrich Stauffer	member

### Independent audit

BDO AG, Fabrikstrasse 50, 8031 Zürich  
Marcel Frick

### Expert company pension plan

Dipeka AG, Münsterberg 11, 4051 Basel  
Dominique Koch

### Management

PFS Pension Fund Services AG, Sägereistrasse 20, 8152 Glattbrugg

Hans-Ulrich Schneider	Managing Director / Accountant
Renate Demont	Administration

### Administration GPS

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